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Quick Elimination of Nuclear Arsenal Urged

PM2301153392 Moscow IZVESTIYA in Russian
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[Interview with Sergey Blagovolin, president of the independent Russian Institute for National Security and Strategic Studies, by Sergey Guk; place and date not given: "NATO Can Be the Guarantor of Russia's Security"]

[Text] [Guk] British Prime Minister J. Major recently advocated that the UN Security Council should tackle the problem of the former USSR's nuclear arsenals. To all appearances, people in the West do not have very much faith in the ability of the leaders of the CIS [Commonwealth of Independent States] to keep the situation under control. It turns out that they want virtually to place us under international tutelage—which is offensive. Have things really come to this?

[Blagovolin] It is possible not to be concerned about the fate of our nuclear arsenals in the immediate future. Unless there is a slide toward chaos, it is possible to rely on the guarantees of the CIS leaders. However, it would be a sign of quite unjustified optimism to believe that the worst has already passed us by.

[Guk] What really threatens the nuclear potential of the former USSR?

[Blagovolin] Is it really not clear? People in our country are today seizing military weapons dumps—who will guarantee that things will not go so far as missiles and warheads? Of course, terrorists will not succeed in launching a strategic missile, but they are quite capable of destroying warheads with subsequent contamination of the locality. Adventurers could do anything they like with tactical weapons that fall into their hands. This is why it is important to eliminate them as quickly as possible.

[Guk] Are the forecasts not too somber?

[Blagovolin] Nothing must be ruled out in hotbeds of mass disturbances and military conflicts. The leakage of "know-how" and brains to foreign countries is equally real. I cannot at present see any barrier that would halt the outflow of specialists. The example of Iraq is in the public eye. It would be tragic if our collapse played a fateful role in creating new regions of instability in the world.

[Guk] In our own home above all. Instead of pooling resources in the struggle against economic disaster, many CIS leaders are devoting all their efforts to the struggle to take the Armed Forces apart.

[Blagovolin] I agree. Even after signing the Minsk agreements, each of the republics has set about making its own interpretation of them. They want, let us assume, to create their own armed forces—a perfectly legitimate desire. But why always by "annexing" entire units and garrisons, regardless of the fact that this could have very grave consequences and undermine the foundations of security? Disregarding the wishes of many servicemen, in respect of whom they use threats and promises to make them take a new oath? You must not, after all, "confiscate" living people!

It Will Be Decided During the Year Whether There Will Be a Dictatorship in Russia

[Guk] It is all in the spirit of the accords: The CIS is not a state and, consequently, there must not be unified armed forces, must there?

[Blagovolin] I cannot understand why there is such haste. Serious discontent is swelling in the Armed Forces, as no one is taking account of the interests of servicemen and their families—these are many millions of people—in the breakup that is taking place, and they are being cut to the quick. This is wrong. Military people are not puppets. You must not endlessly abuse the long-suffering people who hold weapons. Forces which dream of restoring the former usages might take advantage of their discontent.

[Guk] Maybe people in the republics are in such a hurry because they fear a new coup in Moscow and are afraid that they will once again be driven into a socialist camp—with the emphasis on the last word?

[Blagovolin] If they fear a putsch...Well, I can say to this that the question of whether or not there will be a dictatorship will be decided very soon. During this year.

[Guk] Why such conviction?

[Blagovolin] It is perfectly obvious that, if the reforms which Russia is now implementing do not fail and are not torpedoed and if there is not a social explosion—largely a provoked one (which I fear)—then no coup is foreseen. I will say more and even risk being misinterpreted. The fate of democracy in all parts of the former Union now depends on how things go in Russia. The leaders of all the CIS countries and the Baltic states must understand this. Remember the three days of the August putsch: The events in Moscow elicited a funeral knell in all the republics. All were rooted to the spot, as it were, and nobody protested. I will repeat yet again—the fate of the former Union is today being decided in Russia. If it holds out, the others will also have their own future; if not, no customs and borders will save the day. It will all be decided quite quickly.

Prescription for Salvation: Destroy Tactical Weapons, Hand Over Strategic Weapons to Russia

[Guk] Let us return to our starting position. How, in these troubled times, are we to secure ourselves and the rest of the world against "surprises" connected with the possible loss of control over at least a part of the nuclear arsenals?

[Blagovolin] Tactical weapons must be destroyed, and the rest handed over to Russia. People wrongly think that nuclear weapons are a kind of privilege; they are a heavy burden. In this sense Russia is, by dint of objective

factors, the Union's heir. So let these weapons be concentrated in Russia. Are some of the new leaders really afraid of nuclear blackmail by Moscow?

[Guk] Blackmail or no blackmail, still Leonid Kravchuk has announced his intention to eliminate nuclear weapons in Ukraine and made it clear that he would be happier to see Russia nuclear-free too....

[Blagovolin] I have always been opposed to the total elimination of nuclear weapons, at any rate in the foreseeable future. This can only be done after the creation of a global system of mutual guarantees, for otherwise we could become the hostages of some other Saddam Husayn or alliance of dictators. We have entered a period of new global instability. Russia must become part of the international security structure, and as such the world still needs us as a nuclear power. We must not rely on the United States' maintaining security for us, as it did for everyone in the Persian Gulf. Being an integrated part of a security system from Vancouver to Vladivostok means fulfilling certain obligations, including the maintenance of modern armed forces.

[Guk] Pardon me, but who has invited us?

[Blagovolin] The West, which is already ready for a phased transition to such a security system. One thing is holding it back—it is not clear what might happen in our country tomorrow. What is needed is internal stabilization in Russia and a full revision of the concept of national security with due regard for the fact that there is no longer a threat from NATO. NATO today is our natural ally. We must build a bridge between Moscow and Brussels more quickly. If necessary, over the heads of those who are not yet ready for this. It is time to abandon our absurd fears of NATO's approach to our borders. The North Atlantic Alliance is now, if you like, the guarantor of our security. If we could join it today, this would be the best option for us from the viewpoint of ensuring our security. But, for this, it is necessary first to ensure a certain compatibility of structures and of the nature of military activity, openness, and civilian control. New people must appear in the Army leadership who do not take the old view of NATO as the enemy. Particularly as there are, alas, many real threats. The more quickly we travel the path of creating a security system from Vancouver to Vladivostok, the better. No one is capable of touching such a cumbersome thing.

The World Needs Russia As a Nuclear Power

[Guk] One small thing is lacking: stability in Russia. How can this be achieved?

[Blagovolin] By using presidential power to instill order. It is not a question of a dictatorship but of a power under which people are obliged to fulfill the laws that exist. I do not know of a more democratic country than the United States, but just let someone there try to accomplish just one-hundredth part of what is being done in our country. Democracy means responsibility, not anarchy and chaos. Our great compatriot Solzhenitsyn rightly said: It is possible to descend from the heights of totalitarianism only with the reins held tight. I do not rule out the possibility that in a number of cases it will be necessary to go over to direct rule in the provinces, like rule by a governor.

[Guk] But where are the legally elected soviets to go?

[Blagovolin] They are to suspend activities if they wreck the reforms. This is what Gorbachev should have done.

[Guk] That is, a coup from above, after the pattern set by Yanayev, Pavlov, and Kryuchkov?

[Blagovolin] The word coup is inappropriate here. I am talking about a concentration of power, only not against the reforms but for their sake. If the Russian president sees that deliberate sabotage is taking place and that there is no other way, I will be the first to approve of any decisive actions by Yeltsin to save Russia. The most terrible thing is that in many respects he is beginning to repeat Gorbachev's mistakes.

[Guk] Which ones, for example?

[Blagovolin] Well, he is appointing his plenipotentiaries in the provinces and they are not being allowed to work. Is this to be endured, as he is doing at present? Why is it possible to call publicly and with impunity for the overthrow of the legitimate power? I understand that everyone in power today wants to be a "pure democrat." But experience, political culture, and time are needed to create a working democratic model. We have none of this. Therefore I entreat Yeltsin to be a strong head of state. It is necessary to save the chief thing—Russia, its integrity, and our unique opportunity to become a part of the civilized community. Incidentally, people in the West also understand perfectly what will happen if democracy in Russia collapses and power passes to the hands of some dictator—it seems to me that there are quite a few candidates here.

Nuclear 'Inheritance' of USSR Causes 'Alarm'

PM2301135392 Moscow IZVESTIYA in Russian 22 Jan 92 Morning Edition p 5

[Vladimir Mikheyev report: "UN Security Council Convenes in Emergency Session. The Nuclear Disintegration of the CIS [Commonwealth of Independent States] Causes Alarm in the World"]

[Text] The degree of uncertainty associated with the nuclear inheritance of the disintegrated USSR is perhaps comparable to the alarm felt by the world community.

British Prime Minister J. Major admitted candidly in a television interview that "the nonproliferation of nuclear weapons and future disarmament...is one of the reasons why I have convened a special emergency session of the UN Security Council." Wednesday sees the start of a visit to our country by a delegation from the Pentagon, whose experts will carry out an on-the-spot assessment of the best way to spend the $400 million

earmarked by Congress for the elimination of Soviet nuclear weapons. Let us remind readers that similar technical assistance was mentioned by British Foreign Secretary D. Hurd, who has just visited Alma-Ata, Kiev, and Moscow, and who was basically paving the way for the emergency session of the UN Security Council.

Physicist I. Chernyayev in Libya's Awbari Desert

Finding a common language with the statesmen who represent the Commonwealth of Independent States [CIS] is being taken seriously by Western leaders, and there are no particular complications. It is another thing entirely to prevent the Treaty on the Nonproliferation of Nuclear Weapons from being undermined, not by the sovereign republics that make up the CIS, but by some of their citizens, the ones who, in the past, were most directly associated with the establishment of the USSR's military nuclear industry and whose social status and material prosperity are currently plummeting. According to information supplied by the London International Institute for Strategic Studies, there are at least 200,000 of them.

"If someone earns $10 a month but is offered $2,000 a month somewhere in Algeria or Libya, this looks very tempting," Cal Wood, a scientist from Livermore who took part in a conference on the theme "The Proliferation of Nuclear Weapons and the End of the Soviet Empire" that was held here in California, believes. Yesterday they were the elite of the defense industry. Today they are "out-of-work scientists" with no prospects. The problem has been identified. At Livermore they suggested giving aid for conversion, financial injections, and even providing job placement for some of the scientists in developed Western countries. But all this is looking to the future.

Today, meanwhile, as the British newspaper THE SUNDAY EXPRESS reported, physicist I. Chernyayev has been working at a secret installation in the Awbari Desert in Libya since mid-September 1991. He earns $60,000 a year, not counting free housing and cars. According to the same unconfirmed report, three other Russian nuclear specialists are working alongside him, offering their intellect for..."the Muslim nuclear bomb."

Is the Cork in the Bottle Containing the Nuclear Genie Sealed Tightly?

Looking at the list of all the West's concerns, and discounting factors like a "lone maniac" or a treacherous dictator capable of getting his hands on doomsday weapons, there remains the problem of reliability such as, the reliability of the technology for destroying nuclear munitions in line with international agreements; the reliability of transporting them, for example, from Ukraine to Russia; and the reliability of storage facilities. Also along this chain is the reliability of "service personnel."

While in Moscow, D. Hurd received assurances from Ye. Shaposhnikov, commander in chief of CIS Armed Forces, that technical aid from the West would be welcomed. The news agencies recalled in this context the words of V. Shlykov, deputy chairman of the State Committee for the Defense of Russia, who made the following disturbing confession: Bearing in mind the transportation and storage methods that we use, there is a growing threat of radioactive plutonium leakage. For his part, French Defense Minister P. Joxe expressed doubt about the "psychological" maturity of the commanders who are answerable for the tactical nuclear weapons entrusted to them.

Missiles and Debts in One Bunch

J. Attali, president of the European Bank for Reconstruction and Development, brought an unexpected and even paradoxical idea with him to Moscow: Nuclear weapons in exchange for foreign debt burden relief, in other words, the dismantling of nuclear missiles would be linked to a slackening of the debt noose (which stands at $60-70 billion).

Although the proposal put forward by J. Attali was not made in his capacity as head of the bank but in an individual capacity, it is nonetheless attractive. Linkage of this sort could be just what we need, since it would be better to fill in the nuclear abyss and the debt pit at the same time.

Kurchatov Official Dismisses Brain Drain Issue

PM2301162992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Jan 92 p 3

[Report by K. Belyaninov: "If Someone Wants Our Nuclear Bombs, We Have No Inkling at the Moment"]

[Text] Despite the chronic absence of sausage and hard currency, there is one thing the former Soviet Union was never short of—nuclear potential. We always worked enthusiastically on its development and even allowed surpluses to go abroad. The other day, for example, it turned out that a scandal had erupted in the United States over the appearance of a large quantity of our enriched uranium at incredibly low prices on the U.S. market. Then there were rumors of our nuclear people appearing en masse at "facilities" in Libya and Iraq, and an equally massive sale of nuclear weapon parts.

"They are no more than rumors," A. Gagarinskiy, deputy director of the Kurchatov Intsitute of Nuclear Energy, assured us at yesterday's news conference. "Our staff are working in Libya, but we are talking about a government agreement rather than emigrants."

Apparently, the former Soviet Union still has something to offer the Western market. Our uranium enrichment technology is considerd the best and most economical in the world, and we have been sharing our experience in the field of nuclear physics and reactor technology ever since 1975. As a result, 26 nuclear power station units constructed by Soviet specialists are still operating in a wide variety of countries.

Soviet scientists have been engaged in entirely legal nuclear research in Third World countries. For example, we have built research reactors in Egypt, Iraq, and Vietnam. We have nearly finished constructing a Nuclear Research Center in Cuba and our specialists have been working at a similar center in Libya since 1977, having alrady trained "over 200 Libyan specialists."

But there was no answer at the news conference to the question whether one can expect nuclear weapons to appear in Libya in the very near future. All that was said was that the reactors there are purely research reactors and it is practically impossible to use them to produce weapons-grade plutonium, while any decent physicist with a sound education can make a bomb in the right conditions.

But one should not talk of charity, let alone "fraternal assistance," A. Gagarinskiy claimed. The cooperation is based on a normal commercial footing and brings in $26 million per year. Incidentally, the first personal computers were bought for the Kurchatov Institute with "Libyan" money.

Institute specialists have not yet received any offers from foreign centers. But despite this, they do not rule out the possibility of a brain drain, particularly as the former exit bans applied to physicists working in secret fields no longer operate. Nonetheless the Kurchatov Institute has recorded only two emigrants in the past two years. But, according to the Institute's data, they did not find work.

Vorontsov Denies Nuclear Arms Sales to Iran

LD2401083692 Moscow Radio Rossii Network in Russian 0400 GMT 24 Jan 92

[Text] Vorontsov, the permanent representative of the Russian Federation at the United Nations, has denied reports that Iran acquired three nuclear arms in one of the republics of the former Soviet Union.

Vorontsov told the ASSOCIATED PRESS agency that not a single nuclear weapon from the former Soviet arsenal had been sold to third countries.

A report about the sales appeared in the Paris-based Arab weekly AL-WATAN AL-'ARABI. It said that last year, having availed itself of the instability in the Soviet Union, Iran acquired three bombs and paid between $130 million and $150 million. The report pointed out that Iran had also hired more than 50 nuclear specialists from the USSR to assemble the components of these bombs and offered them a monthly salary of $5,000.

The magazine did not directly state where the parts of the bombs were obtained. It was, however, stated that it was an Islamic republic. According to ASSOCIATED PRESS, it is obvious that Kazakhstan was meant here.

So, none of that corresponds to reality, according to Vorontsov.

Vienna Arms Reduction Negotiations Cited

LD2301184692 Moscow TASS in English 1744 GMT 23 Jan 92

[By TASS correspondent Vladimir Smelov]

[Text] Vienna January 23 TASS—Questions connected with working out an agreement on troops personnel in Europe from the Atlantic to the Urals were in the focus of a plenary meeting at the Vienna negotiations on conventional armed forces in Europe on Thursday [23 January].

It is said in the lobbies of the forum the agreement will be politically binding. International affairs show that such agreements are tangible and are honoured. At the same time, a draft agreement on personnel proposed by a number of delegations contains provisions that are more characteristic of a legally binding agreement. Therefore, the partners in the negotiations should exert efforts to find mutually-acceptable solutions.

It was also discussed at the meeting how the principle of sufficiency could be reflected in the agreement. Vladimir Shustov, head of the Russian delegation, believes it would be expedient to determine it as a universal political principle of the construction of armed forces of any participating state. He told TASS this approach would emphasise the obligations of states to build its armed forces on the basis of self-restriction and an objective assessment of foreign threat, would prevent unjustifiable arms build-up and help strengthen confidence. Besides that, equality of all participating countries in implementing provisions of the future agreement would be ensured, for instance, in determining structures and tendencies of the construction of the armed forces and setting limits to personnel.

U.S. 'Peace-Loving Intentions' Questioned

PM2001111192 Moscow SOVETSKAYA ROSSIYA in Russian 16 Jan 92 p 3

[Article by Rear Admiral V. Prozorov, chief of Navy General Staff section: "Is It Necessary to Increase in Order To Cut Back? The Disintegration of the USSR and Strategic Stability"]

[Text] President Bush's initiatives on tactical nuclear weapons were a surprise for our foreign policy department and Defense Ministry. In his 28 September interview with Central Television, President Gorbachev tried to claim otherwise, but the delay of more than a week in coming forward with our reciprocal measures and the superficial substantiation of these measures make this claim dubious.

Back in 1990 the USSR unilaterally declared the waters of the Baltic Sea and the air space above it a nuclear-free zone. We took the initiative in committing ourselves to removing nuclear weapons from the area. At the time this passed unnoticed by the world public, and the

United States and other NATO countries did not reciprocate with any positive follow-up response. It is very likely that the United States was not ready to take reciprocal measures and this initiative by the USSR merely served as an impetus to the drawing up of proposals by the U.S. military-political leadership to cut back tactical nuclear weapons.

The absence of any reciprocal measures evidently cooled off our intitiatives. The elaboration and substantiation of further steps were virtually curtailed.

What opportunities did we lose as a result of this—plenty. M. Gorbachev's counter proposals to Bush's initiatives contained no seemingly obvious ideas. Like declaring the Baltic, Black, and Mediterranean Seas nuclear-free zones, as well as the South Pacific Ocean (the "Rarotonga Treaty"). The implementation of measures such as these is completely realistic and would substantially strengthen stability in these regions. Moreover, the question of how U.S. military strategy will change as a result of the cutback in tactical nuclear weapons has also been passed over in silence.

Let us look at today's realities. The basic tenets of U.S. military doctrine have remained unchanged even taking the U.S. President's initiatives into account. Nor are they changing in the slightest following the disintegration of the USSR. In line with these tenets, the U.S. military-political leadership still believes nuclear weapons to be a deterrent element in peacetime, and the principal means of armed struggle in wartime. The United States continues to categorically reject a possible commitment to no first use of nuclear weapons.

Let us pause for a moment on this question. The commitment to no first use of nuclear weapons taken on by our country, if it were extended universally, would certainly reduce the danger of a nuclear cataclysm. These commitments should at some stage form a basis for global stability and collective security against nuclear threat for all states, both large and small. Alas, the USSR no longer exists, and who is going to insist on this position now? Russia? The Commonwealth? But will the new Commonwealth of States assume this function? Will anyone take it seriously?

The U.S. leadership has consented to sign an agreement on the elimination of medium- and short-range missiles stationed on European states' territory only when an appropriate number of U.S. surface warships and submarines have been fitted with Tomahawk cruise missiles. The reason is that in terms of nuclear equipment, these are capable of performing the same tasks that were assigned to the medium- and short-range missiles. The elimination of U.S. tactical nuclear weapons has also become possible because they have lost their significance, which cannot be said of air-launched missiles. These are not being cut back. On the contrary, it is envisaged to modernize them and their delivery systems. Having used the Persian Gulf war to test out the latest conventionally armed weapons, which are as effective as tactical nuclear weapons, the U.S. leadership deemed it possible to remove tactical nuclear weapons from warships, submarines, and naval aviation. Nor, incidentally, are these weapons being destroyed— they are being stored ready for use.

There is another aspect of the U.S. leadership's "peace-loving intentions." It is no secret that the United States is experiencing certain difficulties in financing the "SDI" program. It is not giving up this program and it is not going to give it up, even if we are left without a single nuclear warhead. The development [stroitelstvo] of the SDI program is a question of national prestige. A subterfuge is being applied today: Funds for space weapons systems are being obtained by cutting back expenditure on tactical weapons. Admittedly, there is the treaty between the USSR and the United States on the limitation of ABM defense systems dated 28 May 1972. This is like a chain fettering U.S. actions in the SDI sphere, with the technological basis for its deployment practically created [sozdana]. But we know that the United States adopts a fundamental attitude to anything: First, one of the parties to the treaty, as we can see, no longer exists, which means that the treaty is left hanging in the air. Second, proposals for a nonnuclear ABM defense system already exist—the first stage of the SDI deployment.

In other words, today the United States' hands have practically been untied. Until the Commonwealth of Independent States defines its positions, it can achieve a lot. Moreover, the commonwealth is under control. This was demonstrated once again by J. Baker's tour of the independent states of the former Union.

FRG, U.S. Differ on CIS Tactical Nuclear Arms

PM2001111792 Moscow IZVESTIYA in Russian 18 Jan 92 Morning Edition pp 1, 4

[Aleksandr Sychev report: "No Unity in West Over USSR's Nuclear Legacy"]

[Excerpts] In ceasing to exist the Soviet Union has left behind it a terrible legacy—30,000 nuclear warheads on the territory of virtually all the former Soviet republics.

All Western capitals are wondering the same thing today—What should be done to lessen the threat from the arsenal inherited by the CIS [Commonwealth of Independent States]? But they have hitherto been unable to find a common answer to this question.

Last week the FRG Government submitted for the attention of its North Atlantic bloc partners its vision of ways of solving this problem, and this gave rise to disagreements among NATO members.

What did Bonn propose? In the opinion of the German Government, NATO should enter into talks on the future of the Soviet nuclear arsenal with all CIS states that have nuclear weapons on their territory. In Bonn's opinion, an agreement must be concluded with each of them on destroying all tactical nuclear arms. Moreover,

all members of the disbanded Warsaw Pact must also be involved in the negotiating process within the framework of the recently created North Atlantic Cooperation Council.

Bonn's proposal was assessed positively by Russian Foreign Minister A. Kozyrev, who recently paid an official visit to the FRG. However, Washington saw Bonn's intention of binding all possessors of nuclear weapons within the CIS by pledges made by their present governments as threatening to slow down the disarmament process started by President G. Bush and former USSR President M. Gorbachev. [passage omitted]

Now that the USSR no longer exists the Americans reckon that the FRG's proposal will send the independent states the "wrong signals." In other words, Washington is afraid that the new sovereigns may regard the German initiative as an invitation to discuss the issue of tactical arms, which has already been decided.

Washington is pressing for the continuation of dialogue on nuclear issues on a bilateral basis between the United States and the CIS or Russia, which in the future must remain the only heir to the former USSR's nuclear might. [passage omitted]

The "cold war" fear of a possible Soviet nuclear strike has changed its nature today and has turned into fear of the unpredictable development of events in the CIS that have both strategic and tactical nuclear arms on their territory. The signals from us are too contradictory and the situation taking shape in and among the independent states is too unstable, and this will quite obviously prompt the West to formulate a common approach on the problem of the Soviet nuclear legacy in the near future.

*Unsecured Warehouses Store Nuclear Weapons

92P50078A Moscow KURANTY in Russian 15 Jan 92 p 2

[Moscow "Intercept" item]

[Text] Vitaliy Shlykov, deputy chairman of the Russian Defense Committee, has reported that a large number of nuclear weapons removed from delivery systems [bolshoye chislo cnyatykh c vooruzheniy yedinits yadernogo oruzhiya] are in warehouses, where measures appropriate for the security of these weapons are not being taken.

Baykonur Launches 'Experimental' Vehicles

PM2301163192 Moscow KRASNAYA ZVEZDA in Russian 23 Jan 92 p 4

[Response by Major General Yu. Gusev, deputy chief of space units, to reader's letter, carried under the "Reader's Briefing" rubric: "Baykonur Is Launching Missiles, But Not Live Ones"—first two paragraphs are reader's letter]

[Text] I read of the launch of a live SS-19 missile from the Baykonur Space Center in the 20 January issue of IZVESTIYA. The use of these missiles, in the opinion of WASHINGTON POST commentators, is in breach of the Treaty on the Reduction of Strategic Offensive Arms (START) concluded between the United States and the USSR last July. Is this actually so?

[Signed] Z. Alekseyev, Moscow

The START Treaty envisages that ICBM's and launchers be equipped for use as systems for delivering various payloads into space and the upper strata of the atmosphere. It should be added that the Americans are already using Titan-2 ICBM's for this purpose and that it is planned to utilize stages of the MX ballistic missile in the future.

As far back as 11 October 1990 KRASNAYA ZVEZDA reported that work to refit decommissioned ICBM's as light-class launch vehicles has been carried out in our country in recent years for conversion purposes. It was planned, as the newspaper wrote, that these launch vehicles, equipped with a specially created booster unit, would deliver various cargoes into outer space in the interests of science and the national economy.

The tests held 20 November 1990 and 20 December 1991, when the Baykonur Space Center launched experimental launch vehicles and booster units on a ballistic trajectory solely over the territory of the countries of the Commonwealth of Independent States, were in conformity with those aims.

The aim of the launches was to check the correctness of the chosen technical and design solutions. The booster units ended their existence (burned up) in the upper strata of the atmosphere over the Kamchatka peninsula.

There is one final point to be noted. Previously the established procedure was to inform only the local organs of management in Kazakhstan about launches from Baykonur, since they were kept abreast of all that happened. Now, with the declaration of sovereignty, we will notify the president of the republic via the Defense Committee.

Conference Addresses Ruble Stabilization Fund

PM2401132592 Moscow IZVESTIYA in Russian 24 Jan 92 Morning Edition pp 1, 5

[Artur Blinov and Aleksandr Sychev report: "Washington Conference Decides Areas of Aid to CIS [Commonwealth of Independent States]. United States Allocates Additional $600 Million"]

[Text] "The United States cannot and will not hesitate at a time when new states are fighting to implement the ideals that America was created to defend." U.S. President G. Bush addressed these words to the foreign ministers of 47 countries and representatives of seven international organizations gathered in Washington to take part in the work of the Coordinating Conference on Aid to Members of the Commonwealth of Independent States [CIS].

President Bush urged the international community to step up its aid to the peoples of the CIS, who are in serious economic difficulties. The United States intends, the U.S. President said, to allocate in excess of $600 million more for this purpose.

"We meet as partners at a turning point in this century and, I think, in modern history," Bush said. "Our task is to provide a joint response to the dramatic revolution that has toppled Soviet communism and left in its place new countries striving to define their place in the world and fighting to resolve the critically important task of feeding, clothing, and sheltering their peoples this winter, spring, and later."

For almost 50 years, the President pointed out, mankind has lived with a dangerous global conflict, the "cold war," which divided continents and peoples, turning them into hostages of potential nuclear annihilation. Now with the revolutionary events in Eastern Europe and the former Soviet Union the "deadly threat has disappeared." Hope of lasting peace and prosperity has taken its place.

Dwelling on ways of providing international support and aid to the peoples of the Commonwealth republics, Bush singled out two main tasks. "First, we must continue our active efforts this winter, spring, and throughout 1992 to meet these countries' urgent requirements for food, medicines, power, and shelter. These shortages which have been recorded in every republic cannot disappear in a flash and will require systematic attention.

"Second, we must use collective international efforts to promote economic growth and the development of free market institutions through technical aid. Our work will be of critical importance in helping the new states to set up banking and tax systems, improving the economic situation, and ensuring the primacy of law and nuclear security.

"In short, we must support those who are advocating reforms and freedom. We must promote concrete investments and the expansion of trade. President Yeltsin's bold economic reforms, as well as other states' efforts in the field of economic change, deserve our support," Bush said.

The international conference, chaired by U.S. Secretary of State J. Baker, will last two days. The conference participants will spend a considerable amount of this time in sessions of the committees that will determine the CIS states' concrete pressing needs such as food supply, power generation, housing, and medical services, and will decide ways to coordinate international aid. A committee has been set up to define spheres of technical aid in implementing the economic reforms.

The main working sessions of the conference and its committees are being held behind closed doors. However, some of what was said on the first day of the conference filtered out of the U.S. State Department building. Thus, it is known that a letter from Russian President B. Yeltsin was read out at a plenary session, expressing the certainty that any aid from the world community would help the peoples of Russia implement the incipient reforms. He also gave assurances that the government would do everything to ensure that the aid reaches those who particularly need it.

Ruble Stabilization Fund Is Job for Immediate Future

Although the conference organizers did not envisage discussing the question of creating a ruble stabilization fund, this subject was broached by speakers on several occasions. The point is that on the day the conference opened G. Burbulis, state secretary and Russian first vice premier, urged the West's leading industrial countries to set up a fund of $7 billion. In effect he repeated last year's proposal which was rejected by the G-7.

However, today you get the impression that this idea has won a large number of supporters. At any rate British Foreign Secretary D. Hurd said at his news conference that it must be resolved and that the time for this is "near at hand."

Dutch Foreign Minister H. van den Broek put forward a plan to extricate the CIS states' power industry from crisis. He proposed using the money allocated to finance the rehabilitation of closed oil wells and step up extraction levels, thus enabling the former Soviet republics to increase their hard-currency budgetary revenue, reconstruct the Chimkent petroleum-refining and petrochemical combine in Kazakhstan, as well as coal mines and pits in Russia and Ukraine, and supply fuel for aviation and motor transport.

Japan Presses for Settlement of "Northern Territories" Problem

Washington's intention of increasing its contribution to rescuing the economies of the CIS states ironed out the tensions that had arisen between the United States and West European states ahead of the conference. But at the conference itself some tension arose between Japan and the FRG. The statement by Japanese Foreign Minister

M. Watanabe took issue with the opinions voiced by his colleagues from other countries. Japan, he said, sees no possibility for wide-ranging financial involvement in Russia's affairs until the problem of the so-called "northern territories"—the four Kuril islands—is settled. "These (territorial) matters are important to Japan," FRG Foreign Minister H.-D. Genscher said in response. "But the collapse of the Soviet Union has changed the picture. It is hard to imagine Japan offering aid."

Representatives of three East European states—Czechoslovakia, Hungary, and Poland, who are also taking part in the conference—warned that the West's humanitarian activity may damage their economy. Supplies of agricultural produce and medicines to the CIS, a joint statement says, will oust their goods from markets that are still important for their exports. They recalled their 1991 suggestion that the relevant commodities for humanitarian aid to the CIS be acquired from Czechoslovakia, Poland, and Hungary.

What else was learned in Washington? Bulgaria has offered its own transport to deliver Western aid to the Commonwealth. Argentina, which itself is suffering a financial deficit, expressed willingness to give refuge to 100,000 emigres from the CIS. The idea of convening another conference to be held in Portugal in May—under EC auspices—was also discussed. It will evidently discuss in greater detail the issue of creating a stabilization fund.

Europeans 'Annoyed' at U.S. Aid Efforts

LD2301191392 Moscow Russian Television Network in Russian 1700 GMT 23 Jan 92

[Commentary by A. Zinenko; from the "Vesti" Newscast]

[Text] A conference on assisting new independent states ended in Washington today. It was obvious that the West wants to assure us that giving up communism will be generously rewarded. For example, George Bush promised $645 million.

However, this did not create much of an impression on the Europeans. They expected more from the rich American uncle. And they certainly expected billions and not millions. Italian Foreign Minister Gianni DeMichelis was very straightfoward about this.

On the whole, holding this conference in Washington has annoyed many European politicians since they think that Europe has been helping the former USSR for a long time already. France even subtly hinted at this by refusing to send its foreign minister to Washington. The United States will distribute the resources collected in Europe, a German newspaper noted venomously on the eve of the conference. Meanwhile, malicious rumors have reported that Bush suggested that the conference be held in Washington in order to raise his popularity, since so far he has been criticized for only being concerned about foreign policy. Over these two days Bush, of course, took advantage of the situation to say yet again that politicians as well as the ordinary farmer from provincial Texas are equally interested in stability in the former USSR.

Germany Assesses Aid Program to Former USSR

PM2201130392 Moscow IZVESTIYA in Russian 20 Jan 92 Morning Edition p 5

[Yevgeniy Bovkun report: "Who, How Much, and When...FRG Industrialists Elaborate Economic Aid Plans"]

[Text] Federal Chancellor H. Kohl has ordered an interim account to be drawn up on the aid given by the FRG to the former Soviet republics and the other states of central, southeast, and East Europe. This is being undertaken by a group of experts, who are to present their reports to the government. These will be discussed at an extraordinary session of the Bonn cabinet.

Not only the amount of the credits and the scale and quantity of the humanitarian cargoes are being taken into account, but also the various forms of economic, scientific, and technical cooperation. Moreover, the experts will be presenting their recommendations regarding Germany's future efforts in this sphere both at the government, federal, and land level, and with the participation of industrial firms and charities. The results will indeed be thorough.

This complex analytical work is aimed at enhancing as far as possible the effectiveness of German aid. This includes, in particular, increasing imports from the East. This has been achieved in trade with Hungary and Poland. Imports from those countries in the second half of last year rose dozens of times over—which caused concern among local agricultural producers, incidentally, who were worried about an influx of agricultural products from abroad.

The government is pinning a great deal of hope on unions of industrialists and entrepreneurs who are being sent East to provide technical and consultation assistance from a group of their experts. Some of them will specially regulate reciprocal trade flows. German importers have already started holding export seminars on their Eastern partners' territories. During these the participants will not only be learning but closing actual deals.

FRG industrialists have indicated to the government their readiness to invest in Europe's Eastern regions as soon as the political situation there starts to stabilize. The key problem, from their standpoint, is to give national economies and enterprises in the East more "technical aid," thus helping them make the transition to the market more easily.

Another decisive point is the training of economic cadres, which should be more wide-ranging and profound. German banks are financing training programs.

J. Moellemann, FRG minister of economic affairs, is proposing to increase the effectiveness of aid by creating joint intergovernmental and economic commissions along the lines of the former FRG-USSR joint commission. Initially it is planned to set up "roundtables" with the participation of representatives from Russia, Ukraine, and Kazakhstan.

Moreover, the federal government is planning to extend the system of loan guarantees provided by the "Hermes" society—a system which has proved its worth in Third World projects—to Russia, Belarus, and Ukraine.

A preliminary total for the financial aid provided to the former Soviet Union has been drawn up. Including loans, spending on housing construction for the former Soviet servicemen in the GDR, delivery pledges issued by former GDR enterprises for shipments to the former Soviet Union, and humanitarian aid, it amounts to DM [Deutsche marks] 86 billion (as of last November).

The experts' reports will form the basis of the analytical document with which H. Kohl plans to familiarize his Western partners in detail in order to more effectively coordinate with them the financing of reform in the East European countries.

French State Minister Dumas Continues Visit

Meets Yeltsin

LD2301154892 Moscow TASS International Service in Russian 1443 GMT 23 Jan 92

[By TASS correspondent Gennadiy Tatalayev]

[Text] Moscow 23 Jan (TASS)—In the Kremlin today Russian President Boris Yeltsin received Roland Dumas, the French minister of state for foreign affairs, who is in Moscow on a working visit.

Answering a question by the TASS correspondent, Roland Dumas said that their prolonged conversation centered on the various aspects of the upcoming meeting to be held in New York between the president of the Russian Federation and French President Francois Mitterrand during the session of the UN Security Council, and of the subsequent state visit to be made by the head of the Russian state to France. Thus, the minister said, today's conversation is a prologue to the talks on topical problems which will take place in a few days time.

At the request of the French minister, Boris Yeltsin spoke about the progress of economic reform in Russia, detailing the viewpoint of the Russian leadership on the processes under way in the Commonwealth of Independent States. Roland Dumas stressed that France is interested in the success of the transformations being carried out in Russia, and confirmed the readiness of the French leadership to give them necessary support.

Particular attention was paid to problems relating to nuclear security and monitoring nuclear armaments. An exchange of views took place on some international issues of interest to the two sides.

Discusses CIS With Gorbachev

LD2301150992 Moscow TASS International Service in Russian 1355 GMT 23 Jan 92

[By TASS diplomatic correspondent Aleksey Luzin]

[Text] Moscow, 23 Jan (TASS)—Former USSR President Mikhail Gorbachev, now chairman of the Social and Political Research Foundation, today met with French Foreign Minister Roland Dumas. During their private conversation, the two exchanged opinions on the processes now taking place in the Commonwealth of Independent States [CIS], as well as on a number of international problems. Mikhail Gorbachev informed the French guest about the main areas in which the foundation he is creating will be working. The French minister is in Moscow on a short working visit.

Dumas Holds News Conference

LD2301191892 Moscow Programma Radio Odin Network in Russian 1600 GMT 23 Jan 92

[Remarks by French Foreign Minister Roland Dumas at news conference in Moscow on 23 January after meetings with Yeltsin, Shaposhnikov, and Kozyrev; in French with superimposed Russian translation—recorded]

[Text] Naturally, Marshal Shaposhnikov and I mainly discussed questions relating to security. He imparted to me his ideas regarding the main problems we could consider. In the first place these involve systems of command and monitoring in the Armed Forces in the framework of the Commonwealth of Independent States [CIS].

As ever, what is at issue are both the Armed Forces, and tactical and strategic types of nuclear weapons. Marshal Shaposhnikov confirmed that the Russian authorities intend to make sure that the tactical nuclear weapons stationed outside the republic's territory are handed over, that is transferred, to Russia before the end of June 1993. As to conventional weapons, I have taken note of the intentions of the Russian Federation to reach agreement with other republics on questions concerning enforcement of the agreements on the level of the Armed Forces.

In the course of our discussion and exchange of views, I took note of the clear-cut assurances I received that competent leaders in the Army will monitor this process of elimination efficiently, while at the same time making sure that all necessary safety precautions are observed. For our part, we expressed our concern regarding the proliferation of nuclear weapons in the world, something which is happening because of the so-called brain drain or because of the use of relevant equipment. This concern was expressed by both sides.

As to my meeting with Russian Foreign Minister Kozyrev, we mainly considered two issues: first, the visit by President Yeltsin to France. Because that will be a state visit, it must be accompanied in its initial stage by certain initiatives. These initiatives must then be followed up, and we rejoice at this. Mr. Yeltsin will be able to stay in Paris somewhat longer than initially scheduled. An agreement and various documents will be signed on this occasion.

The second issue we discussed was international politics. Mr. Kozyrev and I thoroughly considered various documents. After this Mr. Yeltsin wanted to see me. In particular, we spoke about the economic situation in the CIS. He emphasized the importance of food aid, and indicated that the period from the end of February to the beginning of March will be the most critical.

Official on Brigade Withdrawal From Cuba

OW2301175392 Moscow INTERFAX in English 1529 GMT 23 Jan 92

[From the "Diplomatic Panorama" (DP) feature; transmitted via KYODO]

[Text] The second round of talks with Cuba on the withdrawal of the Soviet troop brigade from the island "will necessarily take place", although no specific date has so far been agreed upon. After experts from the two countries conclude their consultations, the Russian and Cuban leaders will have their final say on the matter. DP's [Diplomatic Panorama] reporter learned this from an official in the Latin America Department of the Russian Foreign Ministry, who added that "we are interested in resuming the talks as soon as possible."

The first round, held in Havana at the end of last year, is known to have yielded zero results. The Foreign Ministry diplomat told our reporter that the major problem is that of providing the nearly 3,000 servicemen now stationed in Cuba with jobs and housing at home. Another difficulty consists in lack of agreement on which side will finance the Soviet brigade's return home.

The diplomat, who took part in the first round of Russo-Cuban talks, refuted the allegations that the former Soviet Union's Defense Ministry "is not interested in withdrawing its troops from Cuba," since it would have in that event to scrap its electronic surveillance base providing information about the USA. The Foreign Ministry expert stressed that the two issues had nothing to do with each other and that the future of the "joint communications center" should be discussed separately. The final decision on the matter should be taken with due regard for the interests of Russia and other member states of the Commonwealth, the diplomat said.

Moscow Radio Corrects Troop Withdrawal Report

PY2301223592 Moscow Radio Moscow in Spanish to Latin America 2300 GMT 22 Jan 92

[Text] The item that we broadcast yesterday during the Radio Moscow International Reports and Comments program on the withdrawal of Soviet military personnel from Cuba, which quoted the Russian Information Agency, unfortunately contained some inaccuracies. This issue will be commented on by Aleksey Yermakov, head of the Cuban Section of the Russian Foreign Ministry.

[Begin Yermakov recording in Russian with passage-by-passage Spanish report] The withdrawal of the military brigade from Cuba has still not been decided, Yermakov said. You will remember that last December we began to reduce this brigade and I believe this reduction will continue. Russia is naturally interested in returning our military personnel to the fatherland. There are, however, a series of problems to be solved. I refer to relocating the military personnel who are in Cuba, guaranteeing their social protection, as well as to the means of transporting them back to the fatherland. [words indistinct] that the brigade will thus remain in Cuba until the details of their withdrawal are clarified.

So far, there only has been a small reduction in the number of members of the brigade, Aleksey Yermakov said. We must analyze with the Cubans the serious financial problems and the use that the military equipment of our brigade will be given. These and other problems will be analyzed by the Russian Government. We hope talks on the withdrawal of the military brigade from the island will be resumed soon. We have no intention of postponing this issue.

Will the Commonwealth of Independent States continue to send military experts to Cuba?

We must point out that military cooperation with Cuba has been decreasing and our cooperation is now limited to mutually beneficial trade cooperation, Aleksey Yermakov said. He added: For some time a considerable number of Soviet military advisers was on the island. Now, however, only the experts that help in the maintenance of the war materiel that was supplied by the USSR are there.

The Cuban Army is capable of independently solving any problems that may arise. In our opinion, Russian-Cuban military relations in the future will consist of technical-military cooperation. I refer to support of military techniques, regular maintenance (?of equipment), and so on, Aleksey Yermakov concluded. [end recording]

Chinese Delegation To Attend Mideast Talks

LD2301162692 Moscow TASS in English 1457 GMT 23 Jan 92

[Report by TASS correspondent Vladimir oreshin]

[Text] Beijing January 23 TASS—China is sending to Moscow a delegation to participate in the multilateral negotiations on the Middle East settlement. The delegation will be headed by Chinese Deputy Foreign Minister Yang Fuchang. Spokesman for the Chinese Foreign Ministry Wu Jianmin told this a briefing here on Thursday [23 January].

Commenting on the recent visit to China by Israeli Foreign Minister David Levi, Wu Jianmin said that the widening of Chinese-Israeli contacts does not mean that China has altered its stand on the Middle East problem. China continues to declare for the restoration of lawful rights of the Palestinian people, return of all occupied lands and ensurance of sovereignty and security of all countries of the region, including Israel. We hope for an early fair and complete settlement in the Middle East on the basis of the existing U.N. resolutions, the spokesman for the Chinese Foreign Ministry said.

The visit of the Israeli foreign minister to Beijing should be seen as China's readiness to develop relations with all countries without exception on the basis of principles of peaceful coexistence, the Chinese spokesman said.

European Experts To Participate

LD2301145392 Moscow TASS in English 1421 GMT 23 Jan 92

[Report by TASS diplomatic correspondent Sergey Postanogov]

[Text] Moscow January 23 TASS—A Middle East peace meeting to be held in Moscow at the end of January will aim to find ways to settle regional conflicts and discuss forms, agenda, time and place of multilateral talks, Alexander Belonogov, deputy head of the Russian Foreign Ministry commission for the preparation of the meeting, told TASS.

He said some Arab and European states are ready to participate in the conference. European countries will be represented at the meeting in Moscow by the chairman of the European Community, while countries-members of the European Free Trade Association will be represented by Iceland.

The conference is also expected to be attended by experts from France, Spain, Greece and other countries.

Belonogov said several working groups will be set up at the Moscow meeting to handle security issues, economic cooperation, ecology, public health, thrifty use of water resources and other issues.

"The aim of the multilateral talks is not to replace the bilateral dialogue," Belonogov said, adding they will create a favourable psychological climate for developing the Arab-Israeli dialogue.

Afghan Official on U.S.-Soviet Arms Stoppage

PM2301130392 Moscow KRASNAYA ZVEZDA in Russian 23 Jan 92 Single Edition p 3

[Interview with Afghan Defense Minister Mohammad Aslam Watanjar by correspondent Colonel A. Oliynik; place and date not given: "War Has Led Country into Impasse..."—first paragraph is introduction]

[Text] Republic of Afghanistan Defense Minister Mohammad Aslam Watanjar answers our special correspondent's questions.

[Oliynik] There has been a broad response in the mass media to the Soviet-U.S. agreement to cease arms deliveries to the warring Afghan sides as of 1 January this year. Here the conclusion is drawn that the opposition forces are consolidating while the government troops are losing the strategic initiative. What can you say on that subject?

[Watanjar] Let us recall a little history. I have in mind the Geneva agreements signed in March 1983. The Republic of Afghanistan Government was the first to recognize these accords and together with the former USSR strictly adhered to them. It may confidently be said that today no blood would have been shed on our land if the United States and Pakistan had assumed commitments in Geneva. Our people are tired of the war which has led the country into an impasse. But I recalled history in wondering whether this important Soviet-U.S. agreement would play its part. Will Pakistan and Saudi Arabia, the main suppliers of arms to the opposition, accede to it? If that does not happen the bloodshed in our country will continue.

As for the strategic initiative which our army is allegedly losing, that is far from the case. I shall be brief. Our armed forces have existed, exist, and will exist.

[Oliynik] What kind of military-political situation is now taking place in the country and where are the "hottest" regions?

[Watanjar] I do not want to embellish the situation. The situation in some regions of the country remains complex. We are now having to save ammunition. But as a whole the government troops are controlling the situation throughout the country's territory. As before, the "hot" spots are in the regions bordering on Pakistan. Primarily in Gardeyz, around Jalalabad and Qandahar, in Zabul and Ghazni...The mujahidin are keeping us in a state of tension but I am sure that our army will repel any offensive, wherever it may begin. We have sufficient forces and facilities for that. I should also like to stress that we have advocated and continue to advocate not strong-arm pressure but "roundtable" talks and free elections under UN observation.

[Oliynik] What problems now face the army? In particular how are things with regard to desertion since last summer when the opposition declared a so-called universal amnesty for all those who ceased to offer resistance?

[Watanjar] Our army has been fighting constantly for many years now. And for any fighting army one of the main problems is the shortage of manpower. We are now in need of specialists—pilots, tank crews, and artillery personnel...It is not only a question of combat losses. Since the Soviet-U.S. agreement came into force, Afghan officers who have broken off their study at your military higher educational establishments have been returning to the country. That is also affecting our combat readiness. We will be obliged to complete their training in our country. On the subject of deserters, I shall not conceal the fact that we do have them. That is in no way connected with the mujahidin amnesty you mentioned. Rather our people are leaving their garrisons as a sign of protest against the privations and against the war itself. Incidentally, the mujahidin also have many deserters. Last year alone according to our information over 10,000 men ended their resistance.

[Oliynik] Do you believe that Afghan society could unite around ex-king Zahir Shah, something that is being talked about a lot in the West now?

[Watanjar] My viewpoint is that right now one man will not resolve the Afghan problem, and that includes the ex-king. In this connection I want to stress that the country's leadership and our party supported the UN secretary general's 21 May 1991 statement containing a proposal on problems of a peaceful settlement of the Afghan problem. Only the people themselves have the right to determine their future.

Pakistan Gets Mirages; India Wants MiG Parts

PM2301144992 Moscow IZVESTIYA in Russian 21 Jan 92 Morning Edition p 4

[Report by Nikolay Paklin: "When a Mirage Becomes a Threat"]

[Text] Delhi—We are not talking about the mirage in the desert, of course, but about the French warplane. Agreement has just been reached in Paris, at talks between top Pakistani and French leaders, on the sale of 40 Mirage-2000 aircraft to Pakistan.

Indian military experts regard the Mirage-2000 as a formidable weapon. These aircraft are capable of delivering nuclear bombs. Fitted with modern radar, they are capable of flying at all altitude in all weather. With the delivery of the new Mirages, the Pakistani Air Force will have a total of 88 of them. That is a significant strike force which India cannot ignore.

For a long time Pakistan favored U.S. weapons. In 1982 it bought 40 U.S. F-16 aircraft, 12 of them trainers. Expecting to obtain further F-16's, Pakistan trained a large number of pilots. But on 1 October 1990 the United States stopped giving military and economic assistance to Pakistan because it had doubts about the peaceful nature of its nuclear program. But, as is known, a vacuum will soon be filled: Islamabad wasted no time in entering into talks with Paris on the subject of buying French aircraft. The talks were successfully concluded during Pakistani Prime Minister Nawaz Sharif's visit to the French capital....

It cannot be said that India has twiddled its thumbs all these years, watching the buildup of the Pakistani Air Force's combat might. The Indian Air Force has acquired some first-class MiG-29's. But recently the problem of supplies of spare parts for them from the former Soviet Union has become acute. The Indian side is not sure at all that the now independent former Soviet socialist republics can supply, as the USSR used to do, spare parts for the Soviet military equipment India acquired from us. MiG's account for 75 percent of the Indian Air Force. Despite the fact that India is producing some types of MiG's on license from us, it is unable to supply them with all the equipment and instruments they need.

In the opinion of Indian politicians and the military, the problem of supplies of spare parts for our combat equipment could be a stumbling block in the traditional cooperation between our countries in the defense sphere. And we must clearly appreciate that this cooperation is economically beneficial for us. By supplying India with combat equipment and spare parts for it we can use the money we earn to buy large quantities of Indian goods we need, above all food, medicines, and consumer goods.

Turkey-Iran Rivalry in Central Asia Examined

PM2301131192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 14 Jan 92 p 2

[Correspondent A. Shumilin "Forecast": "Islamic Realignment: Who Will the Former Soviet Central Asian Republics Follow?"]

[Text] Cairo—Turkey has everything, people say. Praise be to Allah! But the curious fact is that, the more intently the leaders of our Central Asian states turn their gaze on Turkey, the more easily their Slavic brothers in the new Commonwealth—and the prosperous West—can sleep in their beds. This is because the Central Asian republics, which were initially orphaned after the breakup of the Soviet Union, are faced with a very poor choice with regard to their future development.

Assuming the West helps the Slavs, many in the region argue, who will help us? Their conclusion—based on new political realities like the increased factor of Islam, for example, their 1,000-year history, and geopolitical ties in the region—is: either Turkey or Iran. Put in simple terms, they are faced with the following dilemma: Either forcible modernization while preserving the secular nature of the state and respecting moderate Islam (the Turkish option), or total Islamization along Iranian lines.

The advantages of the first option would appear to be obvious. Speaking perfect Turkish, Uzbek President I. Karimov has virtually made a solemn vow to follow the path mapped out in Ankara; the Kazakh president has noted Turkey's experience; and, according to the Arab

press, the Azerbaijani premier wants Turkey to represent Azerbaijan's interests in other countries (temporarily, surely?). In short, as times goes on, Turkey looks increasingly set to become the new "big brother" of the former Soviet Asian republics. The prospect of Ankara forming a "Central Asian zone of influence"—which some have been quick to call the "New Ottoman Empire"—is clearly emerging.

An interesting prospect for the neighboring Slavs, but not the worst scenario, you must agree. The other possibility is far less attractive: Iranian-type radicalization of even part of the former USSR's Muslim population (estimates vary, but at least 55-70 million people). This cannot be ruled out completely, because it is well known that the most deprived strata of the population in eastern countries have always been susceptible to the ideas of radical and even extremist Islam. If Tehran succeeds in its plans, a zone of Iranian influence in Central Asia will be recreated. Perhaps within the bounds of the former Persian Empire!

It looks as if Ankara and Tehran have seriously locked horns in the struggle for influence in Central Asia. They are directing their respective efforts mainly at areas where the appropriate language (any of the Turkic languages or Farsi) is widely spoken, and at regions where followers of the Sunni (Turkey) or Shiite (Iran) branches of Islam predominate.

From the point of view of language, Turkey's prospects in this rivalry are far more impressive, because most of the predominant dialects of Uzbekistan, Kazakhstan, Azerbaijan, Turkmenistan, Kyrgyzstan, and Muslim autonomous regions in the Russian Federation belong to the Turkic group. Iran's sphere of activity is mainly confined to Tajikistan, Ossetia, and oblasts populated by Kurds and Iranians. On the other hand, banking on Shiism, Iran has a fairly good opportunity for "fraternization" with Azerbaijan.

However, it looks as if both Ankara and Tehran are moving away from rigid schemes and trying to strengthen their positions in all the Muslim states of Central Asia. The question of Turkey sending military and civilian advisers to several of the former USSR's Asian republics is being actively discussed, for example. The Ankara government has also tried to persuade the European Community to send economic and humanitarian aid to these republics via Turkey, but, to all appearances, this idea has so far failed to find support. Agreements to expand the Central Asian states' telephone and satellite communications with Turkey and to set up joint banks have been reached, however. According to Prime Minister S. Demirel, 1992 offers exceptional prospects for Turkey to gain a foothold in Central Asia.

Tehran is also uncommonly energetic, having recently launched a propaganda campaign directed against the "annexationist appetites" of both Turkey (an "agent of the United States") and Russia in Central Asia. For example, Tehran Radio is urging its Islamic brethren to adopt the Arabic script and thereby "return to their cultural roots." Tehran also has some very specific economic projects. It has pledged to help Azerbaijan to build a railroad that will link the republic to Nakhichevan, crossing Iranian territory and bypassing Armenia; an Iranian bank is also expected to open in Baku.

Some of the more moderate politicians in Tehran propose a plan of action that is not in confrontation with Turkey. To all appearances, the aim of this plan is to gradually pry the Central Asian republics away from their former Slavic partners, initially tying their economy to the Organization for Economic Cooperation which includes Turkey, Iran, and Pakistan. This project is known as the "Islamic common market," which supposedly will be able to compete with the European Common Market in time.

As we can see, all these projects clearly reveal the idea of prying the Central Asian republics away from the CIS and forming political-economic groups which would substantially change the geopolitical situation in the region. Moreover, if these republics really do move away from their Slavic comrades and do not clearly orient themselves toward Turkey, almost any version of an "Islamic community" is fraught with the possibility of domination by Islamist regimes—mainly Iran (but also Pakistan and perhaps, in the future, Afghanistan).

This prospect clearly concerns the mainly moderate Islamic regimes in Arab countries (which, incidentally, have traditionally vied with Iran and regarded Turkey with apprehension). To all appearances, the Arab League intends to become actively involved in the processes taking place in Central Asia, one reason being to prevent them from sliding in the direction of Islamic radicalism. The Islamic Conference Organization is opening its doors to these republic-states. The organization is dominated by representatives of moderate Arab regimes; Azerbaijan has already joined, and Kazakhstan expects to join this year. Authoritative Islamic scholars are being sent to Central Asia from Cairo and other Arab capitals to raise the level of religious education; possibilities for joint economic projects and the granting of credits are being studied.

Unlike Turkey and Iran, the Arab countries can exert a cultural and religious influence on Central Asia—and also an economic influence to some extent. But the formation of more rigid political or military-political alliances is ruled out, because they are so far away. Hence the Arabs' desire to prevent the Central Asian republics from being drawn into new alliances of this nature, which could seriously upset the geopolitical situation in the region.

The Islamic community is extremely heterogeneous and subject to confrontation between very diverse trends. This is all the more reason why the Central Asian republics should be careful about how they join it. They

must not upset the present system of relations or inadvertently strengthen the radical camp. Otherwise, it looks very much as if the Slavic part of our Commonwealth and the so far prosperous West will have to pay for it.

China Seeks Ties With Ex-USSR Republics

PM2101145392 Moscow IZVESTIYA in Russian 20 Jan 92 Morning Edition p 5

[Yuriy Savenkov report: "Staying Ahead of the Game"]

[Text] Beijing—The establishment of reliable economic ties with the former Soviet republics while reducing the acuteness of Sino-U.S. trade disputes and seeking new export markets worldwide is one of the prime foreign economic directions in the Chinese Government's activity. That is the belief of Wu Yi, PRC vice minister of foreign economic relations and trade.

In her view, China is very actively seeking opportunities to expand economic ties with the CIS [Commonwealth of Independent States], particularly with China's neighbors—the Russian Federation and the Central Asian states. China's efforts are taking various forms. Bilateral governmental trade agreements with each of these states are being expedited (agreements have already been concluded with some of them) and trade missions and trade fairs aimed specially at the former Union states are preparing to open. Two of these have already been ratified by the government. A fair, which has already become a tradition, will be held in Harbin, capital of Heilongjiang Province, in May. The second will be in Urumqi, capital of the Xinjiang Uygur Autonomous Region, which borders Kazakhstan, Kyrgyzstan, and Tajikistan.

The Chinese delegation headed by Li Lanqing, minister of foreign economic relations and trade, which visited a number of CIS states, has returned to China. Chinese newspapers are reporting that more tours of other republics are expected in the very near future. China is ready to offer many prime necessities—above all, foodstuffs. Wu Yi told journalists that the Chinese Government is orienting foreign trade firms toward ensuring that they do not waste their chances.

The main emphasis is being placed on border trade, which can be traced back to the 17th century. Because of the ideological split in the late fifties this trade was broken off and was resumed in the second half of the eighties. For instance, the city of Heihe (Heilongjiang Province) participates in it. Everything started with a barter deal: The city sold 208 tonnes of melons in return for 304 tonnes of fertilizer.

The inhabitants of this city (its partner is Blagoveshchensk) are convinced that the recent events in our country will have no impact on their lives. After all, the independent republics will need China as a source of prime necessities—particularly during the harsh winter. There are winter trading routes across the Amur ice, and in warmer weather launches ply the river. In a few years' time the river will be bridged. In the view of Wang Peijiong, head of the municipal company for foreign economic relations, high taxes on imports of electronics, for instance, and any delay in the former USSR issuing licenses for exports to China would scupper many trade deals. In his view, the changes in our country could lead to a reduction in the various obstacles in the way of commodity exchange. This company has contracts with 20 Russian Federation firms and is now hoping to establish ties with other republics (a deal was recently struck with a Blagoveshchensk company for the delivery of ladies' coats in return for fertilizer).

At the same time the political ground is being prepared for an expansion of economic ties. As is well known, on the eve of the New Year China officially recognized Russia and the 11 other independent republics. Diplomatic relations have already been established with the Baltic republics.

Why is China clearly expediting the process? Initially Beijing hinted at a slower development of events. Three main reasons are being given by the diplomatic corps in the Chinese capital. First, China does not want to miss the boat and is continuing what was achieved within the framework of Sino-Soviet relations. Second, it wants to interest the new leaders. Suspicious of those who have turned from the socialist path, it is hinting: "We preach the deideologization of business ties and are prepared to cooperate. The ball is in your court." Third, the Taiwan factor comes into play. The Taiwanese administration is being diplomatically active around the republics. It is important to stay ahead of the game and then obtain confirmation from partners that they are following the spirit and letter of the Soviet-Chinese declaration, in which the USSR recognized Taiwan as an inalienable part of China, and the Beijing Government as the only legitimate government of China.

Commonwealth

Meeting of Member States Begins in Minsk

Legislative Agenda

LD2401095192 Moscow TASS International Service in Russian 0851 GMT 24 Jan 92

[By BELTA correspondent Vladimir Glod for TASS]

[Text] Minsk, 24 JAN (TASS)—The coordination of legislative activity in matters of citizenship, pension provisions, and other pressing problems is on the agenda of the interparliamentary meeting of the countries making up the Commonwealth of Independent States. It began today in the Belarus capital. The delegations are headed by the deputy chairmen of the parliaments of the sovereign states.

Vasiliy Sholodonov, deputy chairman of the Belarussian Supreme Soviet, told the BELTA correspondent: "At this working meeting we will try to find an outcome acceptable to all sides in conditions where the laws of one sovereign state on a number of positions differs from the parallel acts of other Commonwealth states."

Shevardnadze on Problems

LD2401000292 Moscow TASS International Service in Russian 2148 GMT 23 Jan 92

[By TASS correspondent Igor Barsukov]

[Text] Washington, 24 Jan (TASS)—The Commonwealth of Independent States will need time to settle the problems existing between them. It will be an agonizing process, but there is no other way. This opinion was expressed on Thursday, 23 January, in an interview with the newspaper USA TODAY, by Eduard Shevardnadze, the USSR's former foreign minister.

The changes will be less painful in those Commonwealth states that opt for the path of democracy, he noted. But if the leaders of these countries exhibit a penchant for a dictatorial style of rule, they will come up against the threat of armed clashes and other problems. Georgia, he pointed out, is a good example of how a democratically elected president became part of a totalitarian regime.

Speaking of the transformations in Russia, E. Shevardnadze indicated that some reforms may be carried out within the year, but 8-10 years will be required before it is possible to talk of a market economy in the country. For over 70 years, we have lived by other principles, he said. People were brought up in a spirit of hostility toward market relations, so that it is difficult to change their psychology. E. Shevardnadze urged the United States and other countries to provide help to the Commonwealth states.

In the view of the former USSR foreign minister, the threat of a coup continues to exist. The threat should not be discounted. People no longer believe in words, they believe in concrete actions. The most difficult months of all have now begun. And if life continues to get worse then we shall soon come up against very serious problems, Shevardnadze said. He noted that the inhabitants of Russia believe in President Boris Yeltsin. However, he went on, to believe is one thing, but whether the president will be able to carry the country with him is another matter. I believe, Shevardnadze stressed, that he will make changes to his policies if he feels that he has not got it right.

Shevardnadze said that he cannot believe that Soviet atomic scientists would go and work for regimes which want to build nuclear weapons. I understand the fears of the United States, but I also understand our scientists, he said. They will not facilitate the proliferation of nuclear weapons, but they need to be given financial support. Shevardnadze said that he does not believe it essential for him to hold high office. I cannot be an uninvolved observer of what is happening in Georgia, but I do not consider it possible for me to play any political role, he said. I can try somehow to assist in overcoming the current catastrophic disasters Georgia is enduring. The rest depends on the will and choice of the people.

Shakhnazarov Expounds

LD2301204292 Moscow Radio Moscow World Service in English 1210 GMT 22 Jan 92

["Conversation" with Georgiy Shakhnazarov, political analyst and former adviser to Mikhail Gorbachev, by commentator Vyacheslav Solovyev; place and date not given—recorded]

[Text] [Solovyev] The Commonwealth of Independent States can be durable only if the three main issues are resolved—genuine unity of the Army, common citizenship, and a common monetary unit. This point has been made in an interview for the Czechoslovak newspaper RUDE PRAVO by a prestigious political analyst and former adviser to Mikhail Gorbachev, Georgiy Shakhnazarov.

For there has been an actual division of the Army along with the categorical refusal of a number of republics to have common citizenship and attempts by them to introduce their own currency. Don't these latest events on the territory of the former USSR show that the view of those politicians is getting the upper hand who regard the Commonwealth as an interim structure on the path from membership in the Soviet Union to full independence?

This question worries many people now and not surprisingly the main topic in a conversation between our commentator Vyacheslav Solovyev and Georgiy Shakhnazarov was whether the Commonwealth of Independent States has a future. Indeed at this moment as one looks at the Commonwealth the centrifugal tendencies, even a flight to Europe as it were, come to the fore. [sentence as heard] This has an explanation to some extent. The natural desire of the republics and peoples

for self-determination long contained and suppressed has finally received an outlet. Unfortunately this desire is not always acted on a civilized method [as heard], often to the detriment of the economic interests of the members of the new Commonwealth themselves. However, Georgiy Shakhnazarov noted this:

[Shakhnazarov] The objective tendencies make it possible to say that in a prospective there will be a return movement towards closer relations of our states. [sentence as heard] The reason is that none of the former republics, including the Baltic ones and even Ukraine, which is such a powerful republic, could be able to integrate into the west European culture and the west European Community. One has to recall in this connection that some countries there waited for decades to grow mature enough for joining the community. For there is a need to have a certain level of technological and technical advancement and similar things. But the former Soviet republics will find it very difficult to survive without close interaction, first of all with Russia, or without the single market that was set up within the former USSR and involved even east European nations. Sooner or later the primary economic needs will still be felt and a movement towards the center will begin without fail. Of course, much in such a case depends on the course of the economic reforms which are mainly market reforms. Provided they succeed then no doubt some time later this economic basis, presupposing development in a single market, will also dictate a different type of political contact by the leaders in the independent states. The leaders will orient themselves primarily to decisions that will enable their republics to have certain advantages compared to the present state of division. One can say that the place of the Commonwealth in the world will also largely depend on the progress of the economic reform. If the reform succeeds the Commonwealth members in an integrated shape can likewise count on integration in the common European Community.

Military

Reduction in Naval Combat Effectiveness Noted

Fuel, Crew Shortages

PM2301150592 Moscow IZVESTIYA in Russian 23 Jan 92 Morning Edition p 2

[Report by Viktor Litovkin: "The Navy Is 'Chained' to the Wall, But Nuclear Submarines Are Still on Alert Duty"]

[Text] On 21 January a television news bulletin, citing U.S. sources, reported that the Soviet Navy has practically quit the world's oceans and is in its home ports. The commentators said that the reduction in our combat activeness was due mainly to problems with fuel and crew shortages.

"Indeed, our Navy does have these problems," IZVESTIYA's military observer was told at the Navy Main Staff, "but they should not be exaggerated. They are by no means the main ones. The crews on our warships are basically up to strength and the Navy is continuing its day-to-day combat training schedule, although, chiefly in coastal waters. Firing practice is even taking place, although the intensity is considerably reduced." Why?

Rear Admiral Yuriy Kaysin, chief of the Navy Operational Directorate, explains:

"We have indeed left many of the trouble spots, where we served until recently. The point is that the strategic-operational situation in the world's oceans has changed and it enables us to save resources, which indeed we are short of. In fact, the military budget for 1992 has not been approved yet.

"For example, all is quiet at the moment in the Persian Gulf. There is only one U.S. aircraft carrier there, the Eisenhower, and an amphibious group. We reckoned we could reduce our presence. The same goes for other regions where there has been an easing of international tension.

"It is a different story when we come to the coast of West Africa, near Morocco and Western Sahara, where our seamen have been protecting Soviet fishing activities. According to previous agreements, the military used to fill up with fuel and water provided by the fishermen and obtain food from them. Now the fishermen are demanding money from them for this. In dollars, approximately 8 million per year, and another 28 million in rubles for the upkeep of personnel and ships."

"Where can we get that kind of money," the admiral said. "We are protecting them, and we are expected to pay for that—strange logic. We cannot accept that.

"But, of course, our seamen have not ceased performing their duties. Submarines with nuclear missiles on board are still doing their job. Although, for the reasons I mentioned, the number of submarines has been sharply reduced. They are in coastal waters, in the territorial waters of the CIS [Commonwealth of Independent States]. But they are doing their duty, as they must."

Colonel Eduard Stankevich, chief of the Navy Fuel Service, talked about the fuel situation:

"There is indeed a shortage," he said. "The Navy was given quotas of between 60 and 90 percent of consumption in the first quarter of last year. That is, 65 percent for aircraft fuel, 70 percent for gasoline, 66 percent for diesel, and 95 percent for fuel oil."

According to the colonel, the situation is particularly bad in the Black Sea and Baltic Fleets, which are supplied by oil refineries in Ukraine (Drogobych, Lisichansk, Kremenchug) and Lithuania (Mazeikiai). Not a single tonne of gasoline or aircraft fuel has been received since the start of the year. Military pilots are literally "chained" to

the ground. There is diesel in the Black Sea Fleet, but only 18 percent of what is needed; and they only have 23 percent of the fuel oil they need.

The Baltic Fleet has received nothing except fuel oil—19 percent of the planned amount. Yet the garrisons' boilers operate on fuel oil. Every measure is being taken to ensure that people do not freeze, but it is a mighty difficult task.

The situation is not much better in the Northern and Pacific Fleets. Although the fuel oil situation is still more or less tolerable there, there is no gasoline at all. Only the trucks carrying food are filling up.

There is enough diesel at the moment for combat training in the fleet area, but what happens in the future is the big question.

Supply and support officers of the Armed Forces Main Commissariat have appealed to the Russian Ministry of the Energy Industry to organize supplies of petroleum products direct from the Russian Federation to the Army and the Navy.

Otherwise the military equipment will have to stay put.

Reports 'Refuted'

LD2301235792 Moscow TASS International Service in Russian 1455 GMT 23 Jan 92

[By TASS correspondent Vladimir Palagutin]

[Text] Vladivostok, 23 Jan (TASS)—Vice Admiral Anatoliy Oleynik, first deputy Pacific Fleet commander, has refuted reports that appeared in the Japanese media claiming that the main surface vessels of the Pacific Fleet have sharply reduced their activity and mainly stay in dock due to shortages of fuel and confusion in the management system of the Armed Forces of the former USSR.

Replying to a TASS correspondent's request for a comment on this information, he stated that in spite of the difficulties with fuel supplies existing in the country, the situation should not be dramatized and blindly transferred to military provisions. "If before, Anatoliy Oleynik said, we had never asked this question, now, of course, we have to calculate everything. However, there are sufficient reserves of fuel for the Fleet to solve any tasks that have been set." As for some reduction in activity, the vice admiral continued, I may disappoint my colleagues in the Japanese Defense Agency, to whose statements the Japanese media referred. First, the military and political situation has changed, and along with it the tasks confronting the Fleet. For instance, our ships no longer cruise in the Persian Gulf region, and they have changed some areas of combat patrols, with priority given to protecting territorial space. Second, a new training year has begun for the Fleet, which means that training will take place first on simulators and at jetties. "I think that in a month or six weeks our colleagues from Japan will have work tracking our ships in the ocean by means of satellites and aircraft". According to the first deputy commander of the Pacific Fleet, statements regarding "confusion in the management system of the armed forces" are, judging by everything, an attempt to indulge in wishful thinking.

Ukraine Experts Comment on Share of Fleet

LD2301194392 Moscow TASS International Service in Russian 1901 GMT 23 Jan 92

[By UKRINFORM correspondent Sergey Balykov for TASS]

[Text] Kiev, 23 Jan (TASS)—Marshal Yevgeniy Shaposhnikov, commander in chief of the Armed Forces of the CIS [Commonwealth of Independent States], is assigning only 7 percent of the strength and resources of the Black Sea Fleet to create the Ukraine's naval forces. Experts from Ukraine, however, consider that the basis of the future Ukrainian navy should be made up of all the units of the Black Sea Fleet except for the strategic ones.

This was stated at a news conference today by Lieutenant General Ivan Bizhan, deputy defense minister of Ukraine and head of the Ukrainian delegation in the group of CIS experts to determine the strategic nuclear weapons located on the territory of the republic, and Vitaliy Lazorkin, senior consultant at the Ukrainian Defense Ministry,

The Ukrainian representatives consider that there is another option for preserving the integrity of the Black Sea Fleet—to leave it completely within the republic's armed forces. In this case the Black Sea Fleet will cooperate with the CIS Armed Forces in resolving strategic tasks until 1994, when Ukraine will finally become a nonnuclear power.

Lt. Gen. Ivan Bizhan said the Minsk agreement has given the experts a period of two months for their work. There is still time, and I hope we will reach a compromise.

Far East Officers Seek Home State Transfers

PM2301152992 Moscow KRASNAYA ZVEZDA in Russian 22 Jan 92 p 3

["Direct Line" report by unidentified correspondent: "Many Officers in Far Eastern Military District Want To Serve in Their Own States"]

[Text] Khabarovsk—Nearly 900 officers and warrant officers serving in the Far Eastern Military District have asked their commanders for a transfer to their own states to continue their service. Most of them are Ukrainians and Belarussians, and there are also Moldovans, Uzbeks, Azerbaijanis, and Georgians.

The district command is sympathetic toward this process. All the data are being assembled in cadre organs

and lists are being drawn up showing posts held and military specialities, so that there can be a direct swap in the future with officers who want to serve in Russia.

"An organized swap of officers is the real way to solve this problem," Colonel General Viktor Novozhilov, commander of the Far Eastern District forces, believes. "While being concerned primarily with maintaining the forces' combat readiness at the proper level, one must also think of the lives of thousands of people who need to be provided with work and housing. The officers are continuing to serve conscientiously while awaiting a decision on their future."

Draft Defense Budget To Be Discussed in Minsk

PM2301163392 Moscow IZVESTIYA in Russian 23 Jan 92 Morning Edition p 2

[Report by TASS observer Andrey Naryshkin: "What the Military Propose for Discussion in Minsk"]

[Text] Russia is taking on more than 60 percent of the Commonwealth's military spending in the current fiscal year.

Commenting on this figure in conversation with a TASS observer, Lieutenant General Leonid Ivashov, chief of the Administration of Affairs of the CIS [Commonwealth of Independent States] Armed Forces, said that it will amount to 62.3 percent. Evidently, Ukraine's share of the single military budget will be 17.3 percent, and Kazakhstan's 5.1 percent. The other states will have to contribute more modest amounts, the general said. He stipulated, however, that these data are strictly of a preliminary nature. The draft agreement on the single military budget will be discussed by the Commonwealth heads of state at the upcoming meeting in Minsk 14 February along with other documents prepared by the Main Command of the CIS Armed Forces.

The basic principle in the draft defense budget is the independent states' proportional participation in military spending, Leonid Ivashov pointed out. We have proposed determining the size of the fixed contributions proceeding from an integrated indicator based on data on the national income produced and the size of the population of the Commonwealth member states. I believe that this approach is perfectly acceptable to the independent states, and I hope that it will be approved in Minsk, he pointed out. In fact, the share of the former republics' participation in military spending was roughly this for decades.

I particularly wish to point out, the general said, that the new defense budget has a clearly expressed social orientation. We propose to allocate more than 60 percent of all defense spending to maintaining the Army and Navy. Throughout the preceding years of military building this indicator was two or three times lower. It is proposed to compensate for the inevitable costs by reducing the volumes of purchases of military hardware and armament.

Several of the most important documents which we have submitted for the presidents' examination concern the reforming and the status of the Armed Forces of the former USSR, Ivashov pointed out. One of them is the draft agreement on the powers of the top CIS organs with regard to defense questions.

Replying to the TASS observer's question as to which international commitments of the former USSR in the military sphere it is proposed to include on the agenda of the Minsk meeting, Lt. Gen. Ivashov said that it will obviously be a question of the principles and procedure for fulfilling the treaty on the reduction and limitation of strategic offensive arms and the treaty on conventional armed forces.

It is proposed that the leadership of the independent states situated in that part of the former USSR included within the operation of the treaty—Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Moldova, Russia, and Ukraine—also sign a draft agreement on the procedure and principles for fulfilling this treaty. There are no objections in principle here. It will obviously be more complex to agree the maximum levels of conventional arms and hardware on the territory of the independent states. But I hope that reason and common sense will triumph and we will succeed in reaching agreement on mutually acceptable decisions. Otherwise each republic, apart from anything else, will have to create its own base to destroy and convert the military hardware that is subject to reduction.

Russia Plans for Reduction in Military Budget

LD2301183392 Moscow Russian Television Network in Russian 1700 GMT 23 Jan 92

[Commentary by A. Sidorov from the "Vesti" newscast]

[Text] According to Western agencies, Russia plans for a sharp reduction in the military budget, in the first place—expenditure on purchasing armaments and military equipment are to be reduced. This year it is planned to reduce purchases by 11.7 billion rubles. The sale of equipment, not installed or relieved, and material resources at defense enterprises could be very cost-effective. This year Russia will contribute 61.2 percent to the military budget of Commonweath states, Ukraine—17 percent, and Azerbaijan—1.9 percent. To support their own armies the states will have to find additional money in their pockets. On the social plane, the reduction in the military budget might lead to losing millions of jobs which will increase tension in society.

Russian Ukase May Be Last Chance for Solution

92UM0386A Moscow NEZAVISIMAYA GAZETA in Russian 11 Jan 92 p 1

[Article by Pavel Felgengauer: "The Army Under Fire from the Politicians: Disputes Between Yeltsin and Kravchuk Are Placing Not Only the Future of the

Commonwealth in Question But Also the Future of the Peoples of Russia and Ukraine"]

[Text] On 5 January Yeltsin signed an ukase on the text of the Russian military oath. The ukase was published on 8 January. The first step toward the creation of a Russian army had been taken. It is, however, obvious that other steps should follow. For if servicemen who have sworn different oaths serve in the same combat unit, then it must be considered that that unit is not combat capable.

The competition between oaths and the competition between the independent presidents in offering privileges and money payments will quickly transform part of the officer corps into mercenaries, first serving and then fighting on the side of whoever offers them the most pay.

Considerations both of common sense and public safety demand that during the transitional period the Armed Forces of the former USSR be preserved in a unified structure of control, supply, and demand. However, the heads of the independent states themselves obviously cannot reach agreement on this. In any event, the position of Ukraine, which wants to set to immediately to create its own army (and navy), is totally uncompromising.

Efforts will probably still be made at least to reach some agreement, but if the negotiations turn out to be unsuccessful there is every justification for thinking that the Russian leadership is prepared to declare itself the full-fledged successor of the USSR in military matters also.

It has been learned from reliable sources in the Russian leadership that the text of a presidential ukase is now being considered (it has the working name of "ON THE ARMED FORCES OF THE RUSSIAN FEDERATION AND COLLECTIVE SECURITY FOR THE STATES OF THE COMMONWEALTH OF INDEPENDENT STATES"). In particular, the following measures are proposed:

"Pending the creation in accordance with the Agreements between the members states of the Commonwealth of Independent States of a Joint Command for Strategic Forces, and also the creation of the Joint Armed Forces and the resolution of questions concerning the exercise by the former Union republics of their right to create their own armed forces, the Russian Federation is assuming the rights and obligations of the former USSR in respect of its Armed Forces, including those located outside the territory of the Russian Federation.

"Pending the formation of the Joint Command for Strategic Forces, the president of the Russian Federation and the bodies empowered by him will exercise control over strategic forces.

"Until the conclusion of a special agreement on the composition and missions of the Joint Armed Forces of the Commonwealth of Independent States, and also the staged (on a treaty basis) exercise by individual states of the Commonwealth of their right to create their own armed forces, the command of the Armed Forces of the former USSR will be exercised by the president of the Russian Federation and the bodies empowered by him."

Naturally, in order to implement this program a Russian Federation Ministry of Defense will be set up.

Of course, if signed, this ukase (or something similar in intent) will outrage the leaders of many of the independent states. However, it may be the last chance for the political leadership of Russia and the other "Commonwealth member states" to resolve the problem of the Armed Forces of the former USSR independently and using purely political methods.

Coordinating Council To Hold First Session

LD2401000392 Moscow TASS in English 1749 GMT 23 Jan 92

[By TASS correspondent Andrey Naryshkin]

[Text] Moscow January 23 TASS—The Coordinating Council of All-Army Officers' Assemblies will hold its first session in Moscow on January 29, Aleksandr Zyuskevich, deputy chairman of the Committee for the Commonwealth Armed Forces, said on Thursday [23 January].

The council consists of 120 people elected by the All-Army Officers' Assembly on January 17.

The council will also elect a seven or eight-man presidium, which will work on a permanent basis.

Speaking on the possibility of attempts by the council to seize command of the Commonwealth Armed Forces, Zyuskevich said "such a threat may emerge if the council's status and powers are not determined immediately. A draft temporary statute of the coordinating council was submitted to the All-Army Officers' Assembly and I hope this issue will be settled at one of the upcoming sessions".

Zyuskevich stressed that the coordinating council should remain a public body and play together with the chief command of the Commonwealth Armed Forces an active role in determining their future.

Officer Interviewed on Implications of Meeting

AU2301165292 Budapest NEPSZABADSAG in Hungarian 22 Jan 92 pp 1,2

[Interview with Lt. Colonel Semen Bogdasarov by Laszlo M. Lengyel in Moscow, date not given: "The Army Can Make Itself Independent"]

[Text] In the former Soviet Union, the most important event this month was the meeting of the Army officers in Moscow. Our correspondent interviewed Semen Bogdasarov, one of the delegates at the conference.

[Lengyel] Please talk about the preliminary events, the conversations in the corridors, and the work of the delegations. What kind of atmosphere did you have?

[Bogdasarov] One thing became clear, namely, that we agreed on the need for a union. It does not matter whether it is a confederation, federation, or something else, but we do need a union. This is the only way to preserve a united army and to stop it from being divided up by the states, which would result in a civil war.

[Lengyel] What would be the role of the republics and the member states in this desired community?

[Bogdasarov] Nazarbayev is the politician most popular with the Army just now. The views he represents are the most acceptable ones, including confederation, a united army, a common currency, and more coordinated foreign policy than a commonwealth has. Everyone understands that the republics can no longer be forced into a united state directed from above. This kind of effort would lead to bloodshed, and no one wants that. No one wants the union to be broken into independent states for good, however.

[Lengyel] How did the officers come to this conclusion?

[Bogdasarov] At the beginning, when we gathered in Norofominsk, the consultations were held separately for the various services. At that time, the ground forces were the most radical faction. We immediately decided that we had to establish this kind of strong and effective organization.

[Lengyel] We observers did not think of anything different, either.... [sentence as published]

[Bogdasarov] When we arrived at the Congressional Palace, Major General Stolyarov told us to come for discussion and entertainment afterward. Everyone protested. We did not come here for entertainment! The meeting was very radical at first. Some demands were made to remove the chairman and direct the discussions ourselves. After that, a television broadcast was demanded, which was not easy either. Nothing happened until Yeltsin went out and gave orders to Yakovlev. In addition, Marshal Shaposhnikov made an unfortunate comment about the putchists and their prison. It was also demanded that the presidents of all the republics should be present and the meeting should be suspended until their arrival.

At that point the commander in chief said that there was no money for this. The answer was that money could be taken away from the Gorbachev Foundation and the many millions [currency not specified] in party membership fees. The idea of collecting the money ourselves from the people also emerged, but we would not go anywhere until the presidents came. After this, it was possible to commence work after certain concessions were made.

[Lengyel] Why did Ampilov's program and Urazhtsev's presence prove to be controversial in this kind of atmosphere?

[Bogdarasov] When Ampilov rose to speak and announced that he represented a communist organization, some of the delegates were understanding. When he started to demand all sorts of immediate actions which were overtly political, that was too much. Officers do not want parties in the Army. There is a strong feeling of patriotism in the officers. This is not an unequivocal Russian patriotism but something much broader, as reflected in the speech by Metropolitan Kirill [not further identified]. Everyone accepts these ideas, but not the overt party ideology.

[Lengyel] What was the objection against Urazhtsev?

[Bogdasarov] People who spent their whole service in Moscow have always been despised in the Army. Urazhtsev is such a person. Also, the Army has always despised people who did Komsomol work. This is Urazhtsev again. In addition, people who wanted to use the difficulties of officers to promote their own careers were also despised in the Army. In fact, how did Urazhtsev appear here? At the beginning, a second-degree captain, a member of the Moscow council, rose to speak and said that the Commonwealth was a reality and there was nothing to be done about that. The marines gathered during the recess and simply threw out this captain. It turned out that he was not a company officer and that put things right straight away.

Next, a marine stood up and said that Urazhtsev was also here but was not needed, and we should remove him too. He resisted, however. Someone suggested that he be removed by force, but no one cared about him after the recess. The whole world was watching us and we did not want to create a scandal.

[Lengyel] What do you expect after this meeting?

[Bogdarasov] There are two possibilities. The Army is accused of interfering with politics; however, it will either influence politics in an organized way or spontaneously. The Army has been politicized [atpolitizalt]—not because it wanted to be but because it was made to be.

As a matter of fact, the officers' gathering was much more moderate than the real mood of the officers is. There is much more radicalism among the troops. Therefore, the new coordination council will either find a way to reach and influence the divisions and regiments (this is the better version, although the presidents will not like this, either), or spontaneous actions can be expected from the units. People, especially at the peripheries, have come to the end of their patience.

The Army is not only starting to become independent of the politicians, it does not obey those commanders who do not represent its interests. Shaposhnikov thought that people dared stand up against him because he was a good

commander and did not shout or swear. Now, however, people confront anyone who does not represent their interests.

[Lengyel] Of the politicians, Kravchuk was criticized the most. Why?

[Bogdasarov] Kravchuk put himself on a time-bomb. Living conditions have always been good in the Ukraine and officers were happy to serve there. Now, if one of them does not want to accept Kravchuk's conditions, then he has to leave his apartment and put his family in a difficult situation. Not everyone can do this. Therefore, many people will take a new oath. As soon as a new opposition is organized which offers better circumstances to the Army, it will be able to use the soldiers more successfully because people who are obedient under pressure are humiliated people. This kind of person is dangerous because he is always ready for revenge. If a professional handler of weapons finds himself in this kind of situation....

Response to Incident Concerning Missile Launch

Kazakhstan Not Informed

LD2301210792 Moscow Radio Rossii Network in Russian 1100 GMT 22 Jan 92

[Commentary by Igor Ambrosev]

[Text] [Announcer] The problems of the Army, of the officers, of the strategic forces, of nuclear weapons, and so forth seem to be becoming one of the constant subjects of discussion in the CIS [Commonwealth of Independent States]. But for the moment the politicians are hardly able to come to an agreement about the most fundamental issues, and life is throwing up ever new problems.

The newspaper IZVESTIYA reported on one of them in the Moscow evening issue for 20 January. It was unexpectedly discovered that exactly a month ago space units of the Armed Forces conducted an experimental launching of a missile from the territory of sovereign Kazakhstan. And precisely the launch vehicle was remodelled from an SS-19 intercontinental ballistic missile. The State Defense Committee of the Republic of Kazakhstan was not informed of the planned launch. Here is a commentary from Igor Ambrosev:

[Ambrosev] First of all I would like to warn against interpreting this event as, let's say, a reason for exacerbation in Russian-Kazakhstan relations. Unfortunately, the headline in IZVESTIYA directly prompts one to such an interpretation. The headline states: Moscow launches a missile from Kazakhstan, but informs Washington of this and not Alma-Ata. However, the situation is not as simple as that. One should not search for the roots of what happened in Moscow, but most likely in the Belovezhskaya Pushcha. Yes, yes, precisely there, and precisely at the time when the start of the process of reorganizing our statehood began, a process which turned out to be extremely complicated.

The unexpected things on our new path are occurring in clusters. And the launching of the missile clearly reflects the entire complexity of the situation.

Let's go back a month to the middle of December. What happened then? There was joy at the abolition of the center of the empire. The groundwork was being prepared for the meeting on 21 December in Alma-Ata. But not only that: The process was unfolding of—I apologize for the pun—folding up the activity of the Union structure. Well, except for the Armed Forces. This is how the formulas in the Belovezhskoye agreement read on the united command of common military and strategic space. And in these circumstances the launching of the missile on 20 December, on the eve of the meeting in Alma-Ata, could in no way be considered extraordinary.

However, on 20 January, after Evans and Novak of THE WASHINGTON POST, who have been known since the times of the cold war, assessed the launch as a blatant violation of the treaty on reducing strategic offensive missiles, the problem started to appear somewhat different. At the Defense Committee of the Republic of Kazakhstan the report by the U.S. side that a missile had been launched was at first denied. In actual fact, since Alma-Ata had not been informed of the launch, this means that the launch did not take place. This is from the point of view of logic and of the declaration of sovereignty and the republics' respect for each other's rights. But one has to amend one's position according to circumstances which can be disrupted by logic [as heard].

The circumstances are as follows: The plan for the experimental launch of space objects for 1991 was ratified by the Military Industrial Commission of the USSR in February 1991 and confirmed in July that year. And even if the commission was abolished, no one contemplated abolishing its plans. The issue of notification of any kind of military activity is not regulated by any interrepublican or interstate treaty. This is precisely the reason why Washington, which is linked with Moscow by means of the treaty, was informed of the launch and Alma-Ata was not.

And what is most dreadful is that these absurdities will continue in the future, too, until such time as a reinforcement of relations among the sovereign republics with strictly binding treaties is started. Serious, detailed, multilateral treaties are needed, at least with regard to issues relating to the strategic forces. But a treaty is needed reinforcing bilateral relations on all the issues that are important to one pair of sovereign states or another. At least what has already been established in Minsk, Alma-Ata, and in Minsk again cannot be effective. And as far as Evans and Novak from the WASHINGTON POST are concerned, they have simply not restructured themselves yet, and their attempt to present the affair as if the missile was launched by the new,

independent Republic of Kazakhstan is in their old spirit. THE WASHINGTON POST needs to have its attention drawn to the behavior of its observers. It is time to reject the stereotypes of the cold war, as Vadim Bakatin and Andrey Kozyrev are teaching us.

Official Interviewed

LD2301212392 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1500 GMT 22 Jan 92

[From the "Novosti" newscast]

[Text] In the last two days there has been a lot of talk about a ballistic missile launch from the territory of Kazakhstan. U.S. officials began to wonder who made this decision and whether the Kazakhstan authorities knew about this. But the rumors about the launch of a military missile were highly exaggerated. [A page from IZVESTIYA is shown with headline: Moscow launches a missile from Kazakhstan, but informs Washigton of this and not Alma-Ata]

[Begin recording] [Unidentified reporter] The article constantly mentions that the launch was carried out on the decision of the Soviet Military Industrial Commission. Now there is no such commission, but the launch was carried out. Why is there a connection?

[Y.G.Gusev, deputy commander of space units in the Defense Ministry] In February 1991 the plan for the experimental launches, the launches for the needs of the national economy and space research, was approved by this commission. The same commission confirmed the plan for the second half of that year. Until the new structures are created the old plans are in force. It was said and explained repeatedly in the decrees and decisions of the Russian Government that during the transitional period it would be guided by the legislation of the former Soviet Union. Therefore, at the moment of its implementation, the launch was carried out in strict accordance with the directives which had been drawn up.

[Reporter] If we are to reject the Military Industrial Commission decisions now, then all the civilian launches should be cancelled too?

[Gusev] Of course, since no other document exists which establishes a plan for the launches for the purposes of the national economy. [end recording]

Further on Launch

LD2301215692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 22 Jan 92

[From the "Novosti" newscast]

[Text] Reports in a number of newspapers about the supposed malfunctioning launch of a SS-19 missile from Baykonyr has aroused a number of misinterpretations not only here but abroad as well. General Gusev, deputy head of space resources, has agreed to explain the situation for our program.

[Begin recording] [Slichenko] This rocket is called Zenith. There have been 15 launches, 2 of which had accidents. Only 40 minutes elapse from the time of reaching the pad until the launch. Zenith was to replace the famous Semerka which took people into space. Americans who watched the launch and examined the technical characteristics said: This is impossible—to create such motors we need 10 billion and 10 years. The launcher was developed and tested at the Baykonur cosmodrome.

The most important thing in this [IZVESTIYA] article is the headline: Moscow launches a missile from Kazakhstan, but informs Washington of this and not Alma-Ata. The missile was launched from Kazakhstan, the Baykonyr cosmodrome, is there any difference here?

[Gusev] Undoubtably there is a difference. The missile was launched from Baykonyr cosmodrome. If you follow the logic of the article's authors then the missile was launched from Kazakhstan, it was launched using its resources and the appropriate button, and if this is a military missile, then Kazakhstan has the right to launch such military missiles. Today, as we know from the results of the Alma-Ata and Minsk meetings, there is a single nuclear button and, therefore, the information in this article does not correspond to reality. The launch took place in Kazakhstan, but on Baykonyr cosmodrome territory.

[Slichenko] So it turns out that it is practically impossible to stop scientific research work on missiles now in order to create new missiles, not military, but civilian ones.

[Gusev] Of course, in order to turn a military missile into a civilian one it is necessary to introduce the necessary construction and technical changes, and of course when creating any new space carrier a program of flight tests is created during which flight launches take place.

[Slichenko] Is it possible to say that military launch tubes, launch tubes which contain military missiles, will in future launch purely civilian loads?

[Gusev] Yes, you can put it like that. The treaty on cutting strategic offensive weapons envisages that every country has up to 20 launch pads, including vertical launch tubes, with minimal alterations of the appropriate equipment, which will make possible launching useful loads into space.

[Slichenko] The launch is managed from Moscow. To what degree does Kazakhstan or Alma-Ata have any influence on this work?

[Gusev] Kazakhstan is only notified about the launches—the flight path, the area where the first stage falls—so that the local authorities can ensure safety for the launch. Kazakhstan is notified about every launch in

this manner. It is beyond the scope of any republic, in my view, to implement any space program in our conditions. This is connected to the infrastructure of the whole missile-space industry and also to the infrastructure of space involved bases situated throughout the whole territory—specifically in five republics—of the former Soviet Union. Therefore, to say that one of the republics—apart from Russia—can work independently on space would probably be inaccurate today. [end recording]

Implementation of Flag Decision Observed

OW2301183292 Moscow INTERFAX in English 1529 GMT 23 Jan 92

[From the "Diplomatic Panorama" (DP) feature; transmitted via KYODO]

[Text] As DP's [Diplomatic Panorama's] correspondent learned at the Navy Headquarters in Moscow, no single ceremony of replacing the current naval flag with the "historical" St. Andrew's flag will be held for the warships of the Commonwealth strategic forces. The ships sailing out into international waters will be the first to hoist white flags with two diagonal blue stripes. The rest of the naval force will receive the new flags on a "case-by-case" basis .

The decision to introduce new naval flags was taken on January 16 by the leaders of the Commonwealth states "in view of the Soviet Union's disintegration and the need to bring the status of naval vessels in line with international law and the accepted practice."

The only exception will be made for the ships transferred to the jurisdiction of Ukraine and Azerbaijan (part of the Black Sea fleet and Caspian Flotilla correspondingly). These ships will fly the naval flags of their respective countries.

President Boris Yeltsin is expected in the near future to sign a decree replacing the rest of the naval symbols of the former Union with new ones.

Dangers Attendant to Collapse of Army Viewed

PM2301112092 Moscow KRASNAYA ZVEZDA in Russian 23 Jan 92 Single Edition p 2

[Article by Lieutenant General A. Tyurin and Lieutenant Colonel V. Gavrilov: "What Is Dangerous About Collapse of Army"]

[Text] Today it is obvious that under present conditions the Armed Forces cannot exist in their previous form. Therefore, while in principle advocating the unity of our Army, many participants in the All-Army Officers Assembly spoke of the need to seek new approaches toward the solution of the military problem. That is also the viewpoint of military specialists, whose opinion is offered for your attention.

First, the haste with which the Army is being separated along "national lines" is leading to the point where there is an extremely dangerous trend for the development of both Russian and local nationalism and the process of "nationalizing" the servicemen's awareness is being accelerated. On the other hand in the consciousness of an enormous mass of military men, especially officers, the conviction remains that unified Armed Forces should belong to a single state—Russia—by which is understood not the present Russian Federation but the territory of the former USSR.

Therefore, in our view three scenarios for the development of events are possible.

First. In the event of the disintegration of the unified Army, a powerful nucleus may be extracted from it which begins the struggle for the restoration of a unified (Soviet or Russian) statehood. Here it will be hard to accuse the officers waging this struggle of having any "self-seeking" property interests such as largely motivated the actions of, for instance, the White Guards, and that will attract to their side many patriotically minded people and will knock the propaganda trump cards from their opponents' hands.

Second. It is possible that the Army will divide "along national lines" without significant excesses. But then there is a very great likelihood that the new states will begin territorial disputes among themselves and with neighboring countries, and these could develop into armed conflicts. Under these conditions parties of overtly nationalist and even fascist nature would most likely gain the upper hand in the new states. Considering that Russians are settled throughout the territory of the former USSR and are the largest national minority in the sovereign republics, territorial claims by Russia could be of a particularly resolute nature.

Third. Considering the officers' dissatisfaction with the existing situation (lack of social protection, constant attacks right up to armed assaults and acts of provocation, attempts to divide the Army, offended national and patriotic feelings, and so forth) and the weakening of military discipline, it is possible that units, formations, and even districts, will no longer be in the control of the central military-political leadership, with absolutely unpredictable consequences when the threat of antagonism "between one and all" becomes reality.

If events develop according to any of these options there is a danger that nuclear weapons will get out of control.

In addition all realistically thinking officers realize that a serious threat to the country's defense capability also stems from the uncontrolled disintegration of our military-industrial complex and from the "brain drain" in connection with the abolition of centralized funds and a single military budget. There are also the USSR's international commitments in the military field, which would lose their point in the event of the unified Army's "caving in," which could undermine the international security system.

Second, politicians' incompetent actions with regard to a unified Army are leading to the further violation of military-strategic parity and the reduction of the defense capability of the entire CIS [Commonwealth of Independent States] and in particular of the states which comprise it. Who can say that the danger of war has been eliminated? It is not for nothing that during his recent Pacific trip the U.S. President said that the United States will retain its powerful military presence beyond its territory in order to be ready to repel a threat to its national interests emanating from a "new Iraq" (you can make that concept mean anything you like). Indeed the resolve with which politicians locally are seeking to transfer to their subordination the troops stationed on their territories attests that we are all still a long way from pacifist feelings.

The violation of military-strategic parity is giving rise to considerable disquiet and concern among officers. Many of them believe that the West's more or less civilized behavior so far has been determined on the one hand by the powerful deterrent factor that was the USSR and its Armed Forces and on the other by the fact that the processes which have taken place in the USSR have accorded with the West's interests. The USSR no longer exists. If we also allow the disintegration of the Armed Forces, then who can guarantee that this will not push the West to review not only its geopolitical goals and tasks but also possibly the methods of achieving them?

Finally there are serious grounds for believing that if civil unrest arises on the territory of the former USSR the West, on the pretext of ending civil war and taking nuclear weapons under control, may introduce its troops into the CIS under the flag of multinational forces. And from its viewpoint this step will be logical and justified since it will eliminate the threat of a local and indeed a world nuclear conflict (it will not be hard to organize the appropriate propaganda campaign). But how logical and justified will that step be for our people and their armed forces?

Third, the rapid partition of the Army is extremely dangerous also in that it threatens to give rise to its stratification and in particular the stratification of the officer corps. More advantageous and congenial conditions of service in the national guard which is being created in a number of sovereign republics undermine the prestige of serving in the ranks of the Armed Forces and are leading to psychological and in the long time military antagonism to their formations. The majority of officers are sure that the creation of national guards with the prospect of the formation of national armies on their basis contains a terrible threat of civil war. The point is that in the CIS states in the concept of "national guard" the emphasis is on the word "national," implying, obviously, that only people of the indigenous nationality serve in it.

Therefore, while acknowledging in principle the rightfulness of the existence of a national guard in each sovereign state, we suggest at the same time that its name be changed to "republican guard" or "territorial people's army," which would make it possible for not only people of indigenous nationality but also any citizen of the state to serve in it.

Service in "cushy spots" could also become a bone of contention. The hasty administration of the oath to the Army in the republics inexorably leads to its stratification on the basis of the principle of conditions of service. It is no secret that there are so-called "cushy spots" (Crimea, Ukraine, the central oblasts of the Russian Federation, and so forth) where conditions of service are far easier than, for instance, in the Arctic or Transbaykal. And whereas in the past the principle of rotating officer cadres among places of service was observed at least at a minimal level, now officers are suddenly discovering among their fellow servicemen, friends, and so forth people of "privileged" nationality who can, it turns out (and who are invited to) serve in "cushy spots" and those who theoretically can serve only in Chukotka. Need it be said what a blow this is to the officers' fraternity? Is that not the reason for the unanimity with which servicemen in the Ukraine swear an oath of loyalty to it? If that is so then of course it is profoundly dishonest, not to mention the fact that no one has repealed the oath of loyalty to the Soviet people, because states are formed and disintegrate and politicians come and go, but the people remain.

And so we are not raising the question of the essence of the Armed Forces (that is whether they should be unified, joint armed forces or national armed forces). We are pointing to the need for the urgent elaboration of political and military doctrines both by the CIS and by each individual state which comprises it, doctrines which should consider the sum total of political, economic, social, military, psychological, and other factors. Unless this is done immediately and if the military "pie" continues to be shared out hastily, rashly, and incompetently, then the results could be very grim and unpredictable.

Our proposals in brief are as follows. We consider it essential to stop right now all talk about the armed forces and all attempts to divide them and to administer republican oaths of loyalty to the troops. We must urgently elaborate single political views of the CIS and political doctrines for each component state and determine military doctrines in accordance with them. There must be a transitional period for the reforming and reorganization of the Armed Forces (and not two to three years, as suggested but, in our view, three to 10 years) during which the Armed forces should be unified and under a unified command. It is also essential to create in the CIS and its component states mixed commissions (groups) of military and civilian experts who could very rapidly elaborate recommendations taking all-around consideration of all aspects of military building under present conditions.

Economic

Iron Ore Resources in Republics Evaluated

OW2301224192 Moscow INTERFAX in English 1920 GMT 23 Jan 92

[From the "Trade & Investment" feature; transmitted via KYODO]

[Text] Experts estimate that balance reserves of ferriferous ores in the Commonwealth countries amount to 114bn tons [as received]. Over half of them belong to the category of commercial reserves. Probable reserves are three to four times greater than those explored. The European part of former USSR accounts for about 75% of all ferriferous ores.

Economist Aleksandr IVASHURA presents an outline of iron ore reserves in the European part of Commonwealth members.

The largest reserves of iron ores in the European part of the Commonwealth are concentrated in Russia and the Ukraine.

The economic importance of ferriferous deposits is primarily related to their qualitative characteristics.

IRON ORE DEPOSITS IN THE EUROPEAN PART OF RUSSIA. The Kursk Magnetic Anomaly ore field, which is located in the Tsentralno- Chernozyomny Economic Region and is the world's largest iron ore deposit, comprises two principal ore strips—the north-eastern strip which stretches from Smolensk to Rostov-on-Don for 400 km and is 2 to 25 km wide, and the south-western strip, which extends from Volgansk to Shablykino parallel to the north-eastern one and within 50-60 km from it.

Seam thicknesses vary from 40 to 60 meters in the central part of the Kursk Magnetic Anomaly, and from 300 to 4,000 metres in its southern part. Rich ores in a number of deposits are high in iron (55-62%) low in silica.

Balance reserves of ore in the Kursk Magnetic Anomaly are estimated at 43.4bn [billion] tons, including 26bn tons of rich ores with iron content up to 60% and 17.4bn tons of ferruginous quartzites containing up to 40% of iron.

In many areas the development of ore deposits is hampered by their deep occurrence (400-500 metres) and complicated geological conditions. However, modern technologies permit the development of some of these deposits, sometimes by strip-mining.

Iron ores from this field are likely to be widely used in the future, since it is located in a densely populated area with well-developed metal-processing industry, mechanical engineering, agriculture, and infrastructure.

KRIVOROZHSKY IRON ORE FIELD is located on the territory of the Dnepropetrovsk Region in the Ukraine. Ore seams occur at depths up to 1,500 metres, although in some cases they rise to the surface. Balance reserves of ores in the field are estimated at 15.5bn tons, with iron content averaging 55-65%.

Mines are for the most part used in the Krivorozhsky field to extract rich ores. Average depth of mines is 250-360 metres.

Commercial ores found here are of a high quality. They are delivered to Ukrainian steelworks or are exported. There are plans to construct new ore-dressing mills in the region to process lean, but easily dressable ferruginous quartzites, which may be extracted through open-pit mining.

DEPOSITS IN THE KOLA PENINSULA AND KARELIA have several types of iron ores—magnetites, titanium-magnetites, ferruginous quartzites, etc. Balance reserves of iron ores in this area are estimated at 3.6bn tons.

Kovdorskoye deposit is located in the south west of the Murmansk Region and comprises two—the Southern and the Northern—ore segments. Ore occurrence characteristics in the Southern segment permit strip-mining to be used. Ores here are distinguished by a higher content of phosphorus (about 3%), contain 32% of iron, and are easily dressable. In the course of dressing, apatites may be isolated, to be used as a starting material for producing phosphoric fertilisers.

Another deposit in the Murmansk Region is Olenegorskoye, where ferruginous quartzites occur in thick seams of between 30 and 310 metres at small depths. They contain up to 33% of iron, as well as oxides of manganese, chromium, titanium, and aluminium.

A large Kostomukshskoye deposit is being developed with participation of Finland in Karelia.

IRON ORE RESERVES IN URALS are stretched out in a wide strip from the north to the south almost parallel to the Ural Ridge. Balance deposits of iron ores in the Urals account for 14% of all those in the Commonwealth and are located in Yekaterinburg, Chelyabinsk, Pere, and Orenburg Regions.

Iron ores in northern Urals are found in Severnaya and Bogoslovskaya groups of deposits, in central Urals—in Tagilo- Kushvinskaya and Kachkanarskaya groups, and in southern Urals—in Bakalskaya and Orsko-Khalilovskaya groups.

Ores in the northern part of Urals belong to the type of magnetites, containing between 37% and 58% of iron. Characteristics of their occurrence permit open-cast mining of upper floors.

The Tagilo-Kushviskaya group comprises deposits in hills Blagodatnaya, Vysokaya and Lebyazhya, with iron content between 32% and 55%. Both strip-mining and underground mines are used.

The Kachkanarskaya group of deposits, which is the largest in Urals, is located on its eastern slope in the largest mining and industrial area—Yekaterinburg Region. The titanium-magnetite ores here are lean ones, but are easily dressable. On the average, they contain 17% of iron. Conditions here are favourable for open-cast mining.

The Bakalskaya group of deposits is located on the western slope of Urals in the Chelyabinsk Region. Iron content of limonites here exceeds 45%. Ores in these deposits are high in manganese and contain small amounts of harmful impurities (sulphur and phosphorus).

Media

Appeal to Party Leaders To Halt 'Catastrophe'

PM2301121392 Moscow PRAVDA in Russian 18 Jan 92 p 1

[Unsigned "PRAVDA Appeal to the Leaders of Parties and Social Movements"]

[Text] PRAVDA's "Personality of the Year" poll demonstrated the population's devotion to leaders of various parties, organizations, and movements. People believe them, rely on them, and expect deeds from them to benefit the people.

At the same time, with each day it is becoming clearer and clearer that society is approaching a national catastrophe. The unprecedented slump in production and the horror of universal famine and of civil war cannot help but alarm you. You are children of the same homeland as us. We call on representatives of all parties and movements to set aside their political ambitions, stop the infighting over posts, and think about the people.

For the sake of our forefathers, who sacrificed their lives for future generations' happiness, for the sake of our children, show civil courage and soberness of mind and sit down at the negotiating table, stop the chaos and disorder, restore the supremacy of the law, and stop the fratricidal war. People want to live, work, and relax like human beings. No one can deny them this right.

The newspaper's editorial staff is ready to take on the responsibility for organizing this meeting. The ball is in your court.

TASS Carries Press Review for 23 Jan

LD2301072792 Moscow TASS in English 0525 GMT 23 Jan 92

["Press Review"—TASS headline]

[Text] Moscow January 23 TASS—RABOCHAYA TRIBUNA newspaper comments: "Russia's Deputy Prime Minister Yegor Gaydar promised at the beginning of this month: 'Give us three weeks and you will see the first tangible results of reform'.

"He promised that foreign foodstuffs would start arriving in shops in large quantities while the prices of some foods would slowly but steadily go down.

"The deadline has expired but the shelves are as empty as they have been before. Of course, the 'Gaydar team' can argue that one should not count on a miracle. This is true, indeed. But no one expected a miracle, were it not for Gaydar's promises".

NEZAVISIMAYA GAZETA (THE INDEPENDENT GAZETTE) in comment on a draft budget for the coming year, prepared by the Government of Russia, points out: "The government has failed to create a non-deficit budget in the first quarter of 1992 even on paper. Yegor Gaydar remarked, and with good reason, that any budget deficit is offset by taxes.

"It would be better, the deputy prime minister believes, if this is a civilised tax with revenue going to the budget than a barbarous inflationary tax that would depreciate the incomes of the working people.

"However, one can agree with this only partially. Within certain limits, it is better not to hamper production and business activity for the sake of keeping the incomes of the mass of working people than turn them into a crowd of the unemployed".

"The Army does not want to become an independent political force but it is being pushed to it by circumstances and politicians," KRASNAYA ZVEZDA writes in an article about the results of the All- Army Officers' Assembly.

"The course of the assembly has shown how unstable the morale in the Armed Forces is, how contradictory sentiments, how close the level of discontent is to the critical mark and how strong is the feeling of wounded self-esteem and rightlessness among the military.

"Time will show whether an influential permanent structure will be created to ensure the democratic representation of the interests of the officers' corps when matters connected with the destiny of the Armed Forces are tackled".

In an evaluation of the development of relations between Russia and Ukraine, Galina Starovoytova, a people's deputy of the Russian Federation, points out in an interview with KRASNAYA ZVEZDA:

"So far, the two sides, in my view, have made quite a number of unreasonable steps, ranging from a statement on Russia's territorial claims immediately after the coup and to Ukraine's statement that the entire Black Sea Fleet should be subordinated to it.

"I think the two delegations in Kiev have reached a reasonable compromise. In this respect the political situation is now dangerous and the task of politicians is to stop the negative trend by all possible means".

SOVETSKAYA ROSSIYA runs an interview with President Islam Karimov of Uzbekistan.

Speaking about the recent student unrest in the republic, Karimov emphasised:

"Students themselves are not to blame. I think that this was not a spontaneous action of young people against the liberalisation of prices, as some news organisations presented it, but a more profound phenomenon. The campus tragedy is a continuation of the political struggle waged before, during and after the presidential elections. Political demands, not economic ones, were immediately brought to the fore: the government should resign, down with the president, etc....

"I have grounds for such conclusions. The orientation of these forces arises from the policy which we now pursue: towards independence and stability in economic and international affairs. In addition, as a president I vowed to fight the riff-raff, mafia-like structures and the shadow economy".

SOVETSKAYA ROSSIYA carries an appeal to the United Nations secretary-general by the relatives of the arrested August 1991 coup plotters, requesting him to see to it that the forthcoming trial be held in an unprejudiced manner.

In a PRAVDA interview, Oleg Yashin, first vice-president of the Savings Bank of Russia, denied rumours about a forthcoming monetary reform in the Russian Federation.

"There are no economic prerequisites for a confiscatory-type reform," Yashin said. "The main task now is not to manipulate finances, changing some banknotes by others but to enable every enterprise to develop, operate at full capacity and freely sell the output on the market and worthily reward the work of its personnel".

International Affairs

Yeltsin Meet With Japan's Miyazawa 'Unlikely'

PM2401101892 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jan 92 First Edition p 5

[TASS report under the general heading "United Nations: Second Wind": "Meanwhile..."]

[Text] Japanese Prime Minister Miyazawa has stated that a summit meeting between himself and Russian President Boris Yeltsin in New York at the end of this month appears unlikely. "I do not think anything will come of this in practice," he said in an interview for NHK television, pointing out that there simply will not be time for such a meeting. Miyazawa did not rule out the possibility that at the New York conference of leaders of the UN Security Council member countries an agreement could be reached on granting aid to the former Soviet Union.

Kozyrev on 'Great Power' Status, FRG Visit

PM2301163492 Lisbon DIARIO DE NOTICIAS in Portuguese 19 Jan 92 pp 12-13

[DIARIO DE NOTICIAS/ECA "exclusive" interview with Russian Foreign Minister Andrey Kozyrev by Vladimir Markov; place and date not given]

[Text] [Markov] What was the most important thing for you on this short, though important, visit to Germany—your first abroad since the Russian state became successor to the former USSR?

[Kozyrev] I want to point out that the new Russia has, I think, integrated itself fairly easily and painlessly into the international process. This is certainly due to the hard work—not very apparent, at first sight—done over the past two months. The calm line pursued by Russia with a view to strengthening the Commonwealth of Independent States [CIS] in international affairs and President Boris' Yeltsin's visits—first to Bonn and then to Rome—have been properly understood by the international community.

We have adopted an intelligent stance toward our closest foreign neighbors. At the same time, a very clear strategic line has been defined on Russia's position within the community of democratic states and, first and foremost, in Europe. All this received due and concrete acknowledgment.

[Markov] But there was very little time to reach an adequate mutual understanding. What do you think played a decisive role?

[Kozyrev] Perhaps the fact that we chose the right path. It is enough to recall our original idea of parallel constructive actions. This was all duly acknowledged.

I think that it was realized abroad that from the outset Boris Yeltsin adopted and pondered clear course to make Russia once again a member of the civilized community. This course began to be implemented back at the time of the Union. We never made extremist demands and never posed the issue radically: either the Union or Russia. Our partners knew that we were trying to maintain the Union, but in a new form. For objective reasons, this was impossible. But everyone understood that throughout this period Russia did not perform a destructive or destabilizing role either in its own territory or internationally. In my opinion all this was assessed positively.

[Markov] Is there any reason to expect a further evolution of events?

[Kozyrev] Yes, it must be understood that a huge state with huge international responsibilities has just disintegrated. Something unknown, something fearsome, could have emerged in its place. The emergence of the new Russia in this context could be seen as a factor of instability.

We see now that Russia is regarded as a normal partner with a global responsibility. Indeed, despite all our internal difficulties, Russia is regarded and perceived as a great power.

[Markov] What influences your approach to relations with Germany, and how were your contacts with its leaders?

[Kozyrev] Germany, apart from being one of Western Europe's most important countries, is now president of the seven most highly developed western countries and chairman of the CSCE Council of Foreign Ministers. Germany's weight in international politics is evident. The fact that we have managed to establish relations as trusted partners with Germany, especially following Boris Yeltsin's visit in November last year, is very positive.

I met with Foreign Minister Hans-Dietrich Genscher, as old well-acquainted friends. Germany clearly recognizes Russia's interests and we regard the fact that Genscher, in his capacity as chairman of the CSCE Council of Foreign Ministers, invited us to speak on preparations for the 30-31 January meeting in Prague as a factor of trust.

[Markov] What are the chances of all the CIS countries' joining the CSCE? What do our Western partners think about this?

[Kozyrev] We are in favor of strengthening the Conflict Prevention Center and also the CSCE's institutions and mechanisms for defending human rights and settling conflicts. From the outset Russia adopted a stance that fully coincided with our partners' stances. This is in line with our wish to exploit the potential of the pan-European process for the sake of the current transformations in our country. Of course, the other countries' interests do not diverge from ours: Nobody wants ethnic conflicts in Europe or a war such as that in Yugoslavia.

[Markov] What impact will the EC decision to recognize Slovenia and Croatia have on Russia's stance on this issue?

[Kozyrev] I think that this EC decision starts an irreversible process. I think we must not stand aloof from this issue. But also, we do not have to be ahead of everyone else. Now we are not ahead of everyone else, and that is a correct position. Yugoslavia is a very complex problem. We have tried to exploit the historical factor, our Slavic proximity to all the Yugoslav peoples, to contribute to a peaceful settlement. But we must not delay long in recognizing these states if this process starts to develop rapidly. We must have good relations with the republics and take account of the actual situation. This is our position.

[Markov] Several major international initiatives are expected at the end of January. I mean the preparatory meeting for the Middle East talks, scheduled for 28-29 January in Moscow; then the 30-31 January CSCE meeting in Prague; and last, Boris Yeltsin's visit to New York. What do you think about these initiatives?

[Kozyrev] The meeting on peace in the Middle East will be held in Moscow on schedule. This is a further demonstration that Russia still plays a global role, albeit in a new way, through its involvement in a peace process. Nobody doubts that Moscow—now as the capital of Russia, and only Russia—should host this meeting on the Middle East and that Russia should, together with the United States, continue performing its duties as cochairman of the Middle East peace conference.

We have just agreed with American Secretary of State James Baker how we will be represented in Prague, albeit only at the opening of the conference. Then President Yeltsin will attend the security council meeting.

[Markov] What are you expecting from the UN Security Council meeting? Will a declaration on the United Nations' present and future role be approved?

[Kozyrev] Intensive consultations are currently under way on this matter. I am sure it will be a very important event. It will be a historical first. I think it was no coincidence that the British prime minister took this initiative. The meeting will also be very important in confirming Russia's role as successor, as a great power, in the development of international cooperation.

I think that the approval of another document is less important. The really important thing is the confirmation of the UN Charter and the enhancement of this organization's role. Apart from this, the heads of state who will attend this UN Security Council meeting will be able to take advantage of the emergence of democratic Russia in order to impart new boosts to the joint action of the international community.

[Markov] During his U.S. visit, apart from visiting New York and Washington, Boris Yeltsin will also be received by George Bush at his Camp David residence. Is this true?

[Kozyrev] I think this possibility cannot be ruled out.

[Markov] This summer Germany, which you have just visited, will receive the heads of state and government of the seven major Western countries. Do you think that Boris Yeltsin will participate in this initiative?

[Kozyrev] It is still too early to talk about this. A visit of this kind must have very specific aims. For our part, we will work—partly with Germany's support—to ensure that at this summit of the Seven full account is taken of Russia's interests and needs. In that case Boris Yeltsin's participation in the summit could be considered.

Foreign Ministry Official on Changing UN Role

PM2401101192 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jan 92 First Edition p 5

[Interview with Sergey Lavrov, chief of the Russian Foreign Ministry International Organizations Administration, by Vitaliy Buzuyev under the rubric "Diplomat Speaks"; place and date not given: "United Nations: Second Wind"]

[Text] The idea of holding a session of the UN Security Council at summit level has long been in the air. All too many problems that the world community can solve only by pooling its efforts have accumulated today. As soon as it became clear that Russia would painlessly take its place as permanent member of the Security Council, British Prime Minister John Major put forward the initiative of convening the leaders of the major world states at UN Headquarters. All questions connected with preparing the Security Council session have been resolved in record time. What is its agenda?—that was the question that began our correspondent's conversation with Sergey Lavrov, chief of the Russian Foreign Ministry International Organizations Administration.

[Lavrov] The agenda for the UN Security Council session has been formulated in quite general terms: the Security Council's responsibility for maintaining peace and security in accordance with the UN Charter. But, in my view, this broad formulation of the question is justified, since it enables world leaders to set out their fundamental views on the structure of the world and how specifically world stability and security can be ensured. Boris Yeltsin is expected to reaffirm the pledges adopted by Russia and to disclose how these pledges will be fulfilled in view of the formation of the CIS [Commonwealth of Independent States].

[Buzuyev] The world has changed and has ceased to be bipolar. What priorities in resolving global problems does the United Nations still have, and what new priorities have emerged?

[Lavrov] Indeed, UN priorities are changing. The old threats to security connected with the period of confrontation, "cold war", and the arms race seem to have been settled, or at any rate the Security Council member states have agreement in principle about this. The new element of the situation is that a different threat to world security has emerged. In the last year or two there has been a flareup of conflicts of a totally new type: interethnic, intercommunal, and interreligious conflicts inside states. The United Nations has never been adapted to these conflicts, and so extremely unorthodox decisions are having to be applied at the drop of a hat, on the fly, as in Yugoslavia, for instance. Similar armed clashes are taking place in various countries of the world. Of course, there is a threat that such a conflict will develop in our country.

All this shows the need to change the role of the United Nations. For a start it will be necessary to solve a purely legal problem. For instance, how is UN involvement in conflict inside any state to be squared with the principle of noninterference in internal affairs? I personally believe that it is wrong to say that the principle of noninterference is absolute. Especially as the selfsame UN Charter contains a provision regarding the need to defend human rights and freedoms. That commitment should be fulfilled by the UN members just like the other commitments. Every time there is a need to escape from this contradiction very subtle political and diplomatic work is required.

[Buzuyev] What are the biggest peacemaking projects in which Russia is going to participate in the immediate future together with the other Security Council member countries?

[Lavrov] I could mention, for instance, the unprecedented operation for a peaceful settlement of the situation in Cambodia. Never before has such a large-scale UN action been carried out. The warring sides will be disarmed and safe storage of the surrendered weapons will be ensured. Then the United Nations will take part in preparing free elections in the country.

[Buzuyev] In principle could a situation arise where the United Nations would send a group of Soviet servicemen wearing the "blue beret" into a combat zone in order to resolve a military conflict?

[Lavrov] Our servicemen have long been serving in the Near East in the UN peacekeeping forces. To be specific, there are about 30 officers. Incidentally, just recently the UN secretary general asked a group of them to go to Yugoslavia, and we fulfilled his request. Such movements and assignments always require a specific government decision, which is adopted at the submission of the Foreign Ministry and Defense Ministry. We are now actively cooperating with the General Staff in this sphere. Since we are bringing our laws into line with international law, in my view, Article 43 of the UN Charter should be reflected in our legislation. It makes provision for the conclusion of an agreement among the Security Council member countries on assigning forces for combat operations, for instance, against an aggressor. Clearly, a special law would have to be adopted to regulate instances connected with participation by our servicemen in settling a specific conflict. We already have some outlines, and we will shortly submit the draft of a new law to the government. The Russian parliament will have the last word.

'Goodwill' Consultations With Poland End

LD2301212992 Warsaw Radio Warszawa Network in Polish 1801 GMT 23 Jan 92

[Report by Andrzej Siezieniewski in Moscow]

[Text] Three-day Polish-Russian political consultations ended in Moscow today. Their main aim was the beginning of work on a new inter-state treaty. Our side had submitted a draft of such a document as early as December. Using its wording as a basis, as well as the treaty initialed in December with the then existing Soviet Union, Russian experts have worked out their own version, and this is precisely what the subject of discussion was.

As (Andrzej Analicz), director of our Foreign Ministry European Department, and chairman of the Polish delegation, told journalists, initial work on the treaty is completed. Other important issues concerning bilateral relations, including the withdrawal of Soviet troops from Poland, were discussed within the framework of the consultations.

Supplies of gas to Poland, and the recent reduction of these supplies, were among the other issues discussed. Our Russian partners blamed this on organizational and technical difficulties at home, but they gave assurances, first, that these difficulties have been eliminated, and second, that they will meet the obligations they undertook as regards the supply of raw materials.

We also raised the problem of our fishing in the Okhotsk Sea, which Far Eastern fisherman are protesting against, and the issue of shipping [words indistinct].

According to the chairman of the Polish delegation, there was goodwill from our partners as regards all the issues discussed, and this gives grounds for optimism. We just need time.

Defense Officials Discuss Army Units in Norway

LD2401120992 Moscow TASS in English 1040 GMT 24 Jan 92

[By TASS correspondent Valeriy Loskutov]

[Text] Oslo January 24 TASS—Russian Deputy Defence Ministers Aleksandr Tsalko and Vitaliy Shlykov met Norwegian Defence Minister Johan Jorgen Holst here on Thursday [23 January]. They discussed problems linked

with the reduction of CIS [Commonwealth of Independent States] armed forces and the future of Soviet nuclear weapons plants.

The sides expressed mutual concern about the situation in CIS army units, especially deployed in the Baltic republics.

Tsalko told a news conference here that these troops would be withdrawn at best after 1994, that is after the troops, deployed in Germany and Poland, are repatriated. Speaking about the overall cuts, Tsalko noted that Russia had no other choice and that redeployment of troops to other parts of the country would not solve the problem. He believes the Army should be cut by two million men and not 700,000 as initially planned by the Russian Government. "As to Norway, we see no growing threat from it now," Tsalko said.

The two Russian military leaders arrived in Norway at the invitation of several public organisations and local authorities to take part in preparations for a conference to discuss the conversion of Russia's military industry to meet civilian needs, which is to open at Stavanger this March.

Vote Against Libya in UNSC Confirmed

OW2301183092 Moscow INTERFAX in English 1529 GMT 23 Jan 92

[From the "Diplomatic Panorama" feature; transmitted via KYODO]

[Text] The Foreign Ministry of the Russian Federation has confirmed that in the UN Security Council [UNSC] Russia voted for the resolution criticizing Libya for involvement in terrorist attacks against U.S. and French airliners in 1988 and 1989.

Russia's representative Yuriy Vorontsov told the Security Council that "we believe it is necessary to ensure cooperation beteen the Libyan authorities and the administrations of other countries in establishing responsibility for terrorist attacks against aircraft." He said that the "prestige and reputation of no country must suffer as a result of unlawful and criminal actions by any of its citizens".

Vorontsov said it was important that the law-enforcement agencies of those countries which owned the attacked aircraft and over whose territory the crime had been committed should have a chance to look into the matter in keeping with international law. The trial of those responsible must be public and impartial.

The Russian representative called upon the international community to coordinate efforts in response to the "trans-national challenge".

Adviser on 'Dangerous' Situation, Ethnic Issues

PM2201165092 Moscow KRASNAYA ZVEZDA in Russian 22 Jan 92 p 2

[Interview with Galina Starovoytova, adviser to the Russian president, by correspondent Major S. Knyazkov; place and date not given: "Galina Starovoytova: Mistakes Are Costly"]

[Text] [Knyazkov] Galina Vasilyevna, you are an expert on interethnic relations and adviser to the president of the Russian Federation. At the moment KRASNAYA ZVEZDA readers are particularly worried about relations between Ukraine and Russia. What is your prediction on this score?

[Starovoytova] Thus far both sides, in my view, have taken a good many imprudent steps, from the statement on Russia's territorial claims immediately after the putsch, to Ukraine's statement that the entire Black Sea Fleet should be under its jurisdiction. Although I cannot entirely agree that this fleet should be under Russia's sole jurisdiction. It was rather an emotional utterance. I think the two delegations in Kiev will reach a reasonable compromise.

Indeed, much will depend on the extent to which the politicians of Russia and Ukraine are able to keep cool, not yield to their emotions, and adhere to democratic principles in realizing sovereignty and securing all the elements of that sovereignty.

In this respect the political situation is currently dangerous, and it is the task of politicians to use every possible means to halt this negative process. The Ukrainian people's desire for independence must be handled tactfully. Unfortunately there is propaganda, in the army and elsewhere, against this respectful attitude. Ukraine voluntarily joined Russia in 1954 and voluntarily seceded. In both cases it was done legally, and there are no grounds for grievances here. It is the people's choice, and that choice must be respected.

[Knyazkov] Only recently we thought of Russia as monolithic, but even Russia has not escaped interethnic contradictions and conflicts. A threat to its territorial integrity and national unity has become apparent. How far could these processes go? What must be done to find an honorable way out of the present complex situation?

[Starovoytova] Here too much depends on the flexibility and wisdom of our political leaders. Unfortunately we simply do not have the time or resources for everything. We should be devoting the utmost attention to the nationalities question right now. However, even the post of Russian minister for nationalities' affairs—the chairman of the State Committee for Nationalities—has been unfilled for a month. While we should be constantly taking steps and reacting to what is happening in Tatarstan as well as in, for instance, Sunzhenskiy Rayon in

Checheno-Ingushetia, Karachayevo-Cherkessia, and Dagestan, where there was recently action by Kumyks and other peoples.

I would say that in principle there should be only one policy: Russia has a rather different genesis from the Soviet Union. The Soviet Union was a treaty-based federation, while the Russian Federation is, historically speaking, a constitutional federation, and the majority of the autonomous formations received their statehood at the hands of the Bolsheviks after October 1917. In the majority of Russia's autonomous formations the population group that gave a given territorial entity its name does not constitute a majority, though there are some exceptions.

I think various regions and oblasts of Russia will have more sovereignty than at present, but that does not mean that Russia will be dismembered, divided into pieces. We should take from U.S. experience a higher level of self-government and autonomy. With a lesser degree of state interference in economic affairs.

The state's affairs do not amount to all that much—light the streets, clean the sidewalks, provide protection against attack from outside, and that's all. For the rest, give people their freedom. At the moment the state is taking on too many functions.

Incidentally, I do not rule out that Ukraine could be a federation too, I see nothing terrible about that. I expressed that view a year ago in the newspaper MOLOD UKRAYINY. There are such great cultural and regional differences between its oblasts.

[Knyazkov] You mentioned the Northern Caucasus among Russia's hot spots. Did you expect a few years ago that events in that region could escape from the Russian leadership's control? Is a second Caucasus War possible?

[Starovoytova] I believe and hope that our country will not sink into a pattern of events on the Yugoslav model, but that means that the politicians must keep one, two, or three steps ahead in predicting the development of events. Mistakes by politicians can be very costly. We have already come across this. Those who drafted the decree on imposing a state of emergency in Checheno-Ingushetia did not think about the consequences at all. Now we politicians are trying to dig our way out of it and making great efforts to restore some degree of trust.

I have on my table a telegram from General Dudayev in which he sends me very warm wishes on the New Year and thanks the democratic faction in the Russian parliament, which managed to prevent bloodshed after all.

I do not share Dudayev's position on everything, but I think this telegram is also a result of our policy, a result achieved with enormous effort after the mistake that was made.

Today I received an invitation to visit several republics of Yugoslavia, especially Serbia and Croatia. So that I could tell our parliamentarians where such situations lead. My counterproposal was that parliamentarians from Ukraine and Belarus should also be invited on the trip. It is not only Russian deputies who should take a look at what war is like.

I have already heard the whistle of bullets and faced the muzzle of an automatic weapon in Nagorno-Karabakh, so I don't think I will discover much that is new to me in Yugoslavia. But many of our deputies talk about war as if it was something abstract, and hence the haste in making certain decisions. I have been to Ulster, Nagorno-Karabakh, and East Jerusalem, where in effect there is a war on. War must not come to our land.

[Knyazkov] Unfortunately, the possibility is still there. As a result of the policy of the sovereign states of the former Union, the army is being divided along national lines and faces a difficult choice. How much do you know about the problems servicemen are currently encountering?

[Starovoytova] To begin with, I became a people's deputy of the Russian Federation in Leningrad. In my electoral district, where some 2 million people live, there are several military academies, as well as the fortress of Kronshtadt. I often meet with naval seamen and servicemen and I know their problems well, for instance how passionately they react to the fate of the Black Sea Fleet and the sovereign states' creating their own armies.

All these questions can be resolved through talks. Since we have accepted the existence of the new sovereign states on the basis of the former USSR as a fact of life and agreed to the new political realities, we must take the next logical step and not object to their setting up their own armies.

However, there are various ways of setting up armies. But today they have taken the easiest and quickest way: simply dividing up the army that is stationed in a given locality on a purely territorial basis.

I too, like many of the military, am not indifferent to the fate of the Black Sea Fleet. Of course, it was founded by Peter I, like the whole of the Russian Navy. But in the last 70 years all the republics have contributed to its development, including those that have no access to the sea. They all have a right to claim at least part of the value of this fleet. I realize how difficult it is to define this, but the most democratic way would certainly be to divide it in that way: but not between Russia and Ukraine. This would prevent friction between the republics in future. We cannot make any territorial claims to the Crimea as such, but it is well known that Sevastopol is the best deep-water natural harbor in Europe, and our fleet, including the submarine fleet, was specially developed in the light of the natural conditions there. It cannot quickly be reorganized to suit Murmansk, Kotlin, or other bases. Russia does not have the additional billions of dollars that this requires. To say nothing of the political aspect and the history associated with Sevastopol. Incidentally, at a recent conference where

relations between Ukraine and Russia were under discussion I proposed that something resembling the naval bases at Guantanamo or Hong Kong be set up on the basis of Sevastopol, Balaklava, and Feodosiya. The first response was laughter, then people thought about it, and now I think they are beginning to realize that this is inevitable. Especially since from Ukraine's point of view too it would be realistic to raise the question of creating international bases for the strategic naval forces of the CIS [Commonwealth of Independent States] at those points. We must look forward with no illusions.

[Knyazkov] Republic military oaths are currently being published hastily. Don't you think that if a military man has to choose his oath it gets him involved in big politics? In which case, what price depoliticization, which the democrats fought for so hard, if the army is once again being actively politicized?

[Starovoytova] I don't agree. The process is very hasty, of course, but the military should swear an oath to the state they serve. That is right and proper, and moreover no one is forcing them to take the oath.

Yes, many servicemen are now facing a difficult dilemma, but there is nothing to be done about it. These are the times we live in. In time everything will sort itself out, but the path that has fallen to our lot today simply has to be traveled.

Prospects of Relations With Ukraine Eyed

PM2301125792 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Jan 92 p 1

[I. Sichka report under the "In the Top CIS [Commonwealth of Independent States] Echelons" rubric: "Better to Open the Kingston Valves than a Ukrainian Front"]

[Text] As we reported already in the last edition of KOMSOMOLSKAYA PRAVDA, work has begun within the walls of the Russian parliament to elaborate a plan for the possible return of the Crimean Peninsula to Russia. The real reason behind these intentions evidently lies in the failed talks between state delegations from Russia and Ukraine which took place in Kiev 11 January this year. The very next day, V. Lukin, chairman of the Parliamentary Committee on International Affairs and Foreign Economic Relations, sent a letter on the results of these talks to Supreme Soviet Chairman R. Khasbulatov. As the document is not intended for general publication, it does away with diplomatic nicety and expounds clearly and plainly the state of Russian-Ukrainian mutual relations on the most contentious questions.

Thus, the talks' progress inclines V. Lukin "to pessimism." He believes that: "The Ukrainian leadership's chief aim is clearly visible—to completely sever the special relations with Russia, including the military and political sphere. By proclaiming Ukraine a formally neutral state, to proceed without us toward the West, following the road taken by East Europe. Moreover, they want to lay their hands on everything that is on their territory (except nuclear weapons in the narrow sense of the word—to surrender nuclear warheads while retaining all delivery vehicles for themselves)...The only positive element of the meeting, therefore, is the clarification of Kiev's intentions and the promise to refrain from unilateral action for a week while experts are at work (a promise which is difficult to believe given previous experience of mutual relations with Ukraine.)"

Insofar as R. Khasbulatov "released" V. Lukin's letter on 20 January, having shown it to members of the Supreme Soviet Presidium, it can be concluded that the experts simply failed to agree last week, just like B. Yeltsin and L. Kravchuk during the last meeting of CIS [Commonwealth of Independent States] leaders in Moscow. In this situation, the stance of the Committee on International Affairs and the measures it proposes are of some interest.

V. Lukin proposes to analyze the efficacy of the following measures:
"(a) the adoption of a decree (the draft of which, as you know, is with the president) transferring all former USSR Armed Forces to Russian jurisdiction:
(b) the adoption of a decree transferring the Black Sea Fleet, including its stationing and repair bases (especially Sevastopol, Balaklava, and Nikolayev), to Russian jurisdiction, followed by talks with the Ukrainian side on these bases' status and the possible transfer of part of the fleet's forces to Ukraine in line with Article 1 of the Minsk Agreement."

For V. Lukin, the second option is preferable by dint of its being less confrontational and easier to implement. That aside, V. Lukin believes that the fleet and the inhabitants of the aforementioned Black Sea cities will definitely support it.

Nevertheless, a hostile reaction from Ukraine to such measures is highly probable. V. Lukin proposes taking two preemptive steps to neutralize this. First, to inform the Ukrainian leadership of the possibility of the immediate switch of military orders away from Ukrainian enterprises to similar enterprises in Russia or other CIS states. I do not know how feasible such a step will be, but if it is adopted it will lead to the shutdown of a massive number of defense industry plants on Ukrainian territory and will have a tangible effect on the republic budget, inevitably provoking a social explosion. Of course, it will prompt economic countermeasures. Second, it is proposed to relocate the most valuable aviation units away from Ukrainian territory.

But Russia's main trump card in the struggle for the Black Sea Fleet is the Crimea, Lukin believes. In his opinion, the Russian Supreme Soviet should examine in committees and commissions the legal justification for transferring the Crimea to Ukraine under the USSR Supreme Soviet Presidium Decree of 1954, "bearing in mind this act's recognition as unlawful and repressive as regards Russia in the context of the recently adopted

Law on Repressed Peoples." Moreover, V. Lukin predicts that the movement for Crimean independence will be galvanized "even without our direct influence." Thus, "the Ukrainian leadership will be faced with the dilemma of either consenting to transfer the fleet and bases to Russia, or having Ukraine's jurisdiction over the Crimea questioned."

It is not hard to foresee that such large-scale, unfriendly, and—let us be frank—unpredictable steps in relations between the former USSR's two largest republics will not escape the attention of the West. V. Lukin examines its reaction from two angles. In the short term, a range of positions from neutral to ritual criticism is possible. In the long term, respect for the Russian leadership and its ability to uphold Russia's state interests should increase.

However, the West's opinion in this situation is of secondary importance to V. Lukin. "In any case," he believes, "reaction to our actions within Russia is much more important. A tractable position will inevitably play into the hands of right-wing nationalists. But a firm position on this question will bring forth a broad wave of support for the Russian leadership, and this will give us more time and opportunities to maneuver in the implementation of economic reform."

In other words, before the "nationalists" open fire on the "democrats" and seize power, V. Lukin proposes—out of tactical considerations—to take a leaf out of these very nationalists book, seize the initiative from them, and file claims against Ukraine in Russia's interests. The argument is fairly vulnerable, if only because so far there is no sign on the political horizon of any rallied ranks of "nationalists" ready to immediately seize power. As for opportunities to maneuver in the implementation of economic reform...I am not convinced that this will have any radical effect on the economic reform's successes, but the experience of our own history shows that any territorial claims by one republic against another are most painful and inevitably end badly. Regardless of whether or not the disputed territories were appropriated under Tsar Alexander, Stalin, or Krushchev. The most glaring example of this is Nagorno-Karabakh. I do not want to pursue this analogy any further. I will merely note that the Russian leadership's laurels in the sphere of state blackmail could ultimately acquire a highly dubious nature, even if L. Kravchuk is wrong a thousand times over with regard to the Black Sea Fleet. It is far better to open the Kingston valves than a new Ukrainian front.

Economic Restrictions With Kazakhstan Lifted

PM2101145992 Moscow IZVESTIYA in Russian 20 Jan 92 Morning Edition p 1

[Gayaz Alimov report: "Russia and Kazakhstan: Most-Favored Status"]

[Text] It is well known that the proposal submitted by the Kazakh president at the meeting of the heads of state of the CIS [Commonwealth of Independent States] members on abandoning quotas and licenses for production and technical output and lifting export and import taxes on goods transiting CIS states was not greeted enthusiastically. However, as Nursultan Nazarbayev stated at a 17 January news conference, such an agreement has been reached between Russia and Kazakhstan.

"This is probably the only specific result to have been achieved within the framework of the CIS heads of state meeting," the Kazakh president said.

The Commonwealth, without really having been born yet, is nonetheless being tested to breaking point because of certain emerging contradictions. This is undoubtedly regrettable, and N. Nazarbayev made no secret of his regrets. "I would very much like to believe, and I mean this sincerely, that the CIS will not disappoint people's expectations," he noted. "For my part I am doing everything I can to that end—you have probably sensed that. I would very much like to believe in the viability of the Commonwealth."

Yet it seems as though a similar understanding does not yet exist among the other CIS members. And this fact gives rise to serious concern about the fate of the Commonwealth and its prospects.

Given the chaos around us, the agreement with Russia signed at Kazakhstan's initiative "On Lifting Restrictions in Economic Activity" is something out of the ordinary which will lead to the restoration and strengthening of the former foundations of normal cooperation between former Union states. We seem to be talking about obvious points. Yet, both states are lifting the quotas and licenses which had stifled economic ties, are setting up a unified economic area and a single ruble zone, and have agreed to wholly coordinate their actions in the sphere of financial and emissions policy.

Following the agreement, the question of these states possibly introducing their own national currencies will disappear by itself. "A single monetary system will operate on Kazakh and Russian Federation territory," N. Nazarbayev said.

Political & Social

RIA Holds News Conference; Opposes Merger

Director Vinogradov Cited

OW2301174592 Moscow INTERFAX in English 1637 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] Director General of the RIA-NOVOSTI News Agency Andrey Vinogradov told a news conference in Moscow Thursday [23 January] that a draft decree of the Russian president on the merger of the TASS and the RIA-NOVOSTI News Agency means "virtual liquidation of RIA" as the one that "has not been inclined to due propagandistic activities" He pointed out that the draft decree contains a proposal to set up "a people's

concern" on the basis of RIA-NOVOSTI. In his view, such a step would release the government from funding RIA-NOVOSTI.

The director general warned that the merger of the two agencies into the Russian Information Telegraph Agency (RITA) can signal the beginning of a campaign against freedom of expression. In Vinogradov's words, RITA "will become a monopolist in the sphere of gathering and spreading information from Russia."

Vinogradov stated that last year the Federal Security Agency (the former KGB) launched an investigation into the RIA-NOVOSTI activities after the agency reported that the government as expected to freeze part of cash payments. This information was later denied by Gennadiy Burbulis. A report on results of the investigation addressed to Yegor Gaydar was signed by the then director of the Russian Federal Security Agency Ivanenko. In Vinogradov's opinion, the Russian Federal Security Agency in that case was carrying out the government's "social order."

Chairman of the Russian parliamentary subcommittee on the press I. Yeremin expressed his committee's negative attitude toward the merger of the two agencies and the creation of RITA. He expressed hope that the government and the president will take into account the committee's view and give up this project.

RITA: 'New Information Monster'

LD2301203392 Moscow Radio Rossii Network in Russian 1500 GMT 22 Jan 92

[Text] When he took office, Mikhail Poltoranin, Russian minister of information and the press, said: "The ministry will create a huge number of papers and then abolish itself." Examples from recent days, however, tell a different tale. Yesterday, everyone learned the news of a coming merger between the Telegraph Agency of the Soviet Union [TASS] and the RIA-Novosti Agency. Already, Poltoranin has conceived a new information monster with the affectionate name of RITA: the Russian Information and Telegraph Agency. At a news conference today the leaders of RIA-Novosti endeavored to give their own point of view on this event while our foreign counterparts have already given their unequivocal assessment that the news is a step towards the monopolization of the Russian press. Over to our correspondent, Vyacheslav Osipov:

[Begin Osipov recording] Monopolization is the scourge of Russia's existence and it would seem that the republic's leadership is set on actively combatting this phenomenon. But now there is something rather odd, more reminiscent of the anecdote about the days of Krushchev's reforms which talks of attempts to merge the Maliy Theatre and the Arts Theatre into a single Bolshoy to give a Bolshoy Maliy Arts Theatre. And now again: There used to be the Telegraph Agency of the Soviet Union; familiar events permitted the birth of the Russian Information Agency. Others came into being: INTERFAX, SIBINFORM, URALAKSEPT [as heard], etc. What could be better than a variety of opinions and information? However, as it happens, someone in the leadership didn't like something in the reports from RIA-Novosti which, incidentally, developed after the effective abolition of the Novosti Press Agency.

Another secret: To date, no one has actually seen the decree merging the news agencies. Someone is trying to create a monopoly and no one wants to listen to the arguments of the RIA-Novosti leaders for creating RIA as an open-type public concern [narodnyy contsern].

According to Andrey Vinogradov, such a concern could become an alternative link in the individual—information market—authorities chain and could, most importantly, be a guarantee of the demonopolization of the mass media. Those taking part in the news conference noted that the attitude of the Russian leadership to the media has changed. The RIA-Novosti head stressed that the decision on the agency's fate would either confirm the political line of demonopolizing the press or attest to the restoration of administrative—command models of relations between the state and the press.

Igor Yeremin, a member of the parliamentary commission on glasnost and the media, said in turn that the deputies intend to do all they can to prevent the degree on the merger of the two agencies actually being signed. It was stated that it is not impossible that such steps attest to an increase in state control of the press. Are we really going back to what we have rejected: to discussions of freedom of expression instead of putting that freedom into practice in Russia's information space? [end recording]

Existence of Decree Questioned

PM2401122792 Moscow KOMSOMOLSKAYA PRAVDA in Russian 24 Jan 92 p 2

[O. Saprykina report under the "Furor" rubric: "TASS No Longer Exists, But Nothing Changes"]

[Text] Two days ago Minister for Press and Mass Information Mikhail Poltoranin informed deputies at the morning session of the Russian Supreme Soviet Committee for the Press that Boris Yeltsin had signed a decree on 20 January creating a new news agency—RITA—based on the disbanded TASS and RIA. He justified this decision on the grounds that the republic needs its own agency, one which will work for Russia, the Commonwealth of Independent States [CIS], and abroad. Passions flared up immediately. Both deputies and journalists belonging to the two agencies opposed such a decision.

And a few hours later Poltoranin called the mass media in person to report that the decree was still only under examination.

Yesterday a news conference devoted to this matter was held at RIA. According to A. Vinogradov, general

director of the agency, there is no doubt that such a decree does exist. The fact that it is not yet clear what kind of decree it is or whether it has been signed is another matter. But if it has not been signed, will it be?

RIA-NOVOSTI, set up last September, currently has more than 1,500 subscribers in the CIS and around 100 abroad. In the opinion of agency staffers, the new decree virtually nullifies the work carried out. And as an alternative to such a decision, NOVOSTI proposed its own plan for the agency's future—transforming it into a concern belonging to the people ("an open joint-stock company in which the agency labor collective, the mass media, other interested organizations, and citizens could become stockholders.") This means "abandoning budget financing and compensating the state for the cost of the property and fixed capital transferred to the concern, availability of shares in the concern to all interested organizations and citizens, and the implementation of an extrabudgetary program to support and develop the Russian press."

It is still unknown, however, what will be the outcome of this incident, which has caused enormous commotion among the agencies' staffers and has now become the main topic of conversation in the corridors of RIA and TASS. It is also unknown why the Russian press minister has acted so inconsitsently. As NOVOSTI itself suggests in a commentary issued yesterday, the decree combining TASS and RIA was actually signed, but the minister was instructed to sound out deputies and the public for their reaction. As soon as it became clear that far more negative than positive emotions had been aroused, reverse gear was engaged. Yes, such a suggestion is not without grounds. If such is the case we can only rejoice that the public was not faced with a fait accompli. However, no explanations have been forthcoming from the Russian Government to date. So we can only wait and see how events develop.

Churkin Views Foreign Ministry Reorganization

LD2301221292 Moscow Radio Moscow World Service in English 1910 GMT 23 Jan 92

[Interview with Vitaliy Churkin, head of the Russian Foreign Ministry Information Department, with correspondent Sergey Bogoslovskiy in Moscow; date not given—live or recorded]

[Text] [Bogoslovskiy] What are the most essential problems now facing the former Soviet Foreign Ministry reorganized as a Ministry of Russia?

[Churkin] We do have a lot problems and they're both political and organizational, in that what is taking place now, and that the process has not yet been completed, is a merger between the Russian Foreign Ministry which used to be a rather small organization and a much bigger former Soviet Foreign Ministry. I would expect that process to be completed shortly, but we have, as we are reorganizing and shaping up for the future work, we have to continue with our current work, and we have quite a few political and practical steps which we're dealing with now. I could list only a few things which we're very involved in now—the meeting in Moscow on the Middle East which will take place on the 28th and 29th of January involving some 26 delegations on a ministerial level, a very important gathering. Then we're going to have the trip of President Yeltsin to London, New York, Washington, and maybe some other places, in the immediate days after the Middle East meeting. And in between, Prime Minister Kozyrev is going to participate in Prague in the ministerial meeting of the [words indistinct]. So it's a full agenda, and again as we reorganize, we have not to forget about the practical work.

[Bogoslovskiy] Mr. Churkin, what will happen to the former Soviet embassies abroad? Who will head them now?

[Churkin] Well, they are being headed by ambassadors as they used to be and, as you know, Russia being a continuing state, continuing the former USSR on the international arena, has basically taken over the embassies and now they represent Russia, as the embassies of other countries, the many countries with which we diplomatic relations, located here in Moscow are representatives of those countries now in Russia as they used to represent those countries in the Soviet Union. Of course, that is not the whole story, because we have to be very careful in taking care of the interests of the other countries of the Commonwealth—the former republics of the Soviet Union—and we are now in contact with them, trying to work out a procedure through which their interests could also be safeguarded and could be represented abroad. There is a variety of ways through which it can be done; there can be special agreements between those countries of the Commonwealth and Russia, where Russian ambassadors will be representing those republics, at least for a while if they decide to open their own diplomatic missions in those countries, where they can have their representatives within Russian embassies and we'll have a transition period until those countries are ready, the countries of the Commonwealth are ready to open their own embassies wherever they decide to do so. It's their decision, to open those embassies or not is their decision, but until that time they are free if they choose to use the Russian embassies in order to ensure their representation abroad.

[Bogoslovskiy] What is the opinion of your colleagues in the Commonwealth of Independent States about the reorganization of Soviet Foreign Ministry?

[Churkin] Well, first again I cannot speak about them. I would say that they are not so much preoccupied with the reorganization of our Foreign Ministry because, after all, it is now for them the Foreign Ministry of a foreign country. They are much more preoccupied with organizing their own foreign ministries in the new situation; of course they have had them for quite a while but now I would assume, I would expect that they will need to have much stronger foreign ministries in terms of numbers and in terms of operation than they used to have,

and besides, they are preoccupied of course, as we are, with the problems and issues we have in our relations. For instance, we're now actively involved in the process of building up a new legal basis in our dealings with the other members of the Commonwealth and it does take a large chunk of time for the people, from the people here in our Foreign Ministry, so I expect and I would assume that a lot of attention is being dedicated to this task by the foreign ministries of the other members of the Commonwealth.

Gaydar Interviewed on Work as Vice Premier

PM2401100192 Moscow MOSKOVSKIYE NOVOSTI in Russian No 2, 12 Jan 92 p 11

[Interview with Russian Vice Premier Yegor Gaydar by observer Lyudmila Telen; place, date not given: "Yegor Gaydar: '...My Defeat, Our Defeat Would Not Be Simply A Personal Failure'"—first two paragraphs are introduction]

[Text] After a long evening's conversation, I asked him for a headache pill. He shrugged his shoulders. "He does not keep them," his adviser confirmed.

[Polish Deputy Premier] Leszek Balcerowicz, who is scarcely older than Gaydar, has paid for reforms with a serious nervous breakdown. The 35-year-old Yegor Gaydar has sound health and strong nerves. After a 14-hour workday, he still manages to smile. However, his reforms have only just begun.

[Telen] How would you like to end up in this walk of life?

[Gaydar] Quiet retirement from the post of vice premier...

[Telen] Pensioned off?

[Gaydar] No, of course not. Retirement by the end of next year. Amid deafening cries of popular discontent, but observing democratic procedures. For example, a no confidence vote in parliament on the 1993 budget after financial stabilization.

[Telen] When you became section editor at PRAVDA, you were once asked: "Do you seriously believe that this newspaper can be changed?"

[Gaydar] What did I reply?

[Telen] "If it does not work out—good luck to it, I will return to science..." Did you accept the post of vice premier in the same spirit?

[Gaydar] The situation is completely different. Here my defeat—our defeat—would not be simply a personal failure, it could entail enormous difficulties for the whole country.

[Telen] What does "failure" mean for a kamikaze team? Is this not what your government is being increasingly called?

[Gaydar] The first postcommunist government always leaves the stage. This is a medical fact. There is nothing terrible about this. A political price has to be paid for freeing the economy. But our task—that is the way it turned out—is more complex than that of others who have reformed the economy in similar situations. We cannot permit ourselves the luxury of simply unfreezing prices, failing to halt inflation, and leaving the scene. In that case the second postcommunist government in Russia will hardly be democratic. [Gaydar ends]

Meanwhile, analysts are already naming Gaydar's potential successors. Yuriy Skokov, Aleksandr Rutskoy, Arkadiy Volskiy... This list is hardly accidental. For all the difference in views and possible tactics, the similarity is obvious: An illiberal economic policy relying on the military-industrial complex. Theoretically, however, there can be different versions. I recently asked Grigoriy Yavlinskiy: "What if they offer you the post of head of the next government?" "There are situations from which there is no way out except through the use of force. But in that case I have the right not to get involved," he replied. But how about us?

[Telen] Who would you like to see as your successor?

[Gaydar] Unfreezing prices—that is the first critical point. Even if we do not survive after 2 January, there is still the hope—given favorable circumstances—of another government of professionals. In order to achieve financial stabilization, it must be quite tough and competent.

[Telen] The other option?

[Gaydar] We will take our leave after financial stabilization. The surgical operation has been performed, the patient must be nursed back to health. And here a mild government will be required, which will lower taxes, create prerequisites for economic growth, and attract foreign capital. These are splendid tasks, and I envy those who will have to carry them out. [Gaydar ends]

Gaydar's working day begins at 0900 hours and finishes after midnight, but this, however, is no cause of pride for the vice premier. The circle of duties is finally broken by circumstances.

Gaydar has no "protocol" deputies. Etiquette is remorseless: He is obliged to receive not only foreign presidents and premiers, but also all the newly elected presidents and newly appointed premiers of the former Russian autonomous formations on courtesy visits to Moscow. It is lucky if they are courtesy visits, and not aimed at wringing privileges for their sovereign territories.

Gaydar has no deputies to deal with current economic activity either. If the lights have been switched off in a Kharbovsk school, it is the vice premier who has to deal with it. If railcars are not being unloaded in Pervouralsk—it is him again. And if there are holdups with oil, coal, meat, and metal? Actually, the "if" can be deleted straightaway. The way the country is, all this happens in it **as a rule**. And this means that, as a rule, the

vice premier is left only with the minimum amount of time for actually working on reforms.

Gaydar (the first Russian premier [as published] to do so in 60 years) has managed to put together a team of professional economists. Competent, ambitious, young, but well-known in the circles of the economic elite: Aleksandr Shokhin, Konstantin Kagalovskiy, Vladimir Mashits, Anatoliy Chubays, Leonid Grigoryev, Petr Aven...

[Telen] On what principles did you form your team?

[Gaydar] On professional principles. People working in the government should have the same understanding of the macroeconomic logic of what is happening and the tasks which must be solved.

[Telen] Are these the only requirements?

[Gaydar] No. I wanted to be confident in the personal honesty and probity of those with whom I have to work.

[Telen] It is believed that the representatives of the new Russian authorities are marketeers through and through. Have you really been so lucky?

[Gaydar] It is not ideological declarations that have practical significance, but the real decisions which are made when the alternatives have been analyzed. Today everyone is as committed to the market as they were seven years ago to the advantages of the planned socialist economy. In fact, people with differing economic guidelines work in the structures of power now, as they did in the past.

[Telen] Russian authorities are looking less and less monolithic. The Gaydar line, the Khasbulatov line, and the Rustkoy line have already been delineated. Is this dangerous?

[Gaydar] Democratic regimes without disagreements? Impossible. They are natural even inside the government, provided they have an individual rather than a fundamental character. They are especially justified if they emerge between the different structures of power—the presidential, parliamentary, and executive structures. It becomes dangerous when disagreements develop into conflict.

[Telen] Criticism by Rutskoy—is it a conflict or a disagreement?

[Gaydar] To me this criticism seems too politically profitable. His alternative to reform is from the world of fairy tales. Indeed, everything could be done painlessly if everything in this country would lend itself to management, regulation, and control. Reform would go without a hitch. First privatization would be carried out in double time, then demonopolization, also in double time, and then prices would be unfrozen... Where is this from, the Brothers Grimm? Or Andersen? Prices have not been controlled by the government since the summer, and inflation stands at 15 percent per month! Declarations like those which the vice president is making are politically profitable, but in practice they are naive, divorced from reality. I find it strange that deskbound academics should have to explain this to a practical man...

[Telen] Do you find it easy to work with Yeltsin?

[Gaydar] Both easy and difficult. He supports us and trusts us absolutely in the solution of professional questions. He does not make any amendments which, logically, a politician worried about his popularity might. But Yeltsin is a good man by nature. He wants to do "okay" by everybody. In my opinion, he finds the tough economic role which he is having to play today profoundly sickening. And here indeed danger lurks, both for him and for us.

[Telen] Do you sense "the support of all the people"?

[Gaydar] Nowhere in the world will you find a population so masochistic as to welcome prices rises.

[Telen] An economist has to understand the "courtier's art"—maneuvering, seeking compromises, calculating the reaction of different forces. Are you not scared by politics, let alone by politicking?

[Gaydar] I am absolutely convinced that I would under no circumstances engage in politicking. If only because I do not know how to. I would make a very bad political intriguer. I prefer a frank conversation about what is proposed to be done and what it could lead to. I think that in our society, which is tired of lies and empty promises, this is not the worse type of politician. [Gaydar ends]

In describing himself as a deskbound academic, Gaydar is not being disingenuous. His work in several academic institutions was interrupted only by three years in journalism. First with the journal KOMMUNIST, later on with PRAVDA. But the nature of these publications did not prevent Gaydar and his colleagues from gaining fame as "economic iconoclasts."

[Telen] What made you take up journalism?

[Gaydar] The enticement of glasnost, or maybe it was in my blood.

[Telen] Was it useful?

[Gaydar] Yes, I became involved in practical processes connected with reforms, receiving access to information. My first attempts to influence events are actually connected with journalism...

[Telen] Under what circumstances did Boris Yeltsin offer you the post?

[Gaydar] Strictly speaking, he did not offer it to me. There was talk over a cup of tea—not with the president, with members of his entourage—about what would happen if I agreed...

[Telen] What was your answer?

[Gaydar] I set the conditions in which I would agree. The president's political will to implement reforms, trust, a team of like-minded people... And the Russian president signed the decree on my appointment 6 November.

[Telen] You did not object?

[Gaydar] That would have been irresponsible. Intrigues and coquetry would simply not be appropriate, I think. The time for that, perhaps, has already gone, or has has not yet come.

[Telen] Were you tempted by the laurels of Balcerowicz and Erhard?

[Gaydar] I simply and clearly realized that the actual situation required a professional economist. Someone had to take on these responsibilities. It simply happened that I became this "someone." [Gaydar ends]

Gaydar's opponents and supporters today agree perhaps on only one point: The tasks facing him are far more complex and confusing than those faced by his precursor and counterparts in the West. A different field of reforms, different soil conditions, and a different prehistory.

...International economic "stars" Rudiger Dornbusch and Jeffrey Sachs, visiting Government House (in other words the CPSU Central Committee building on Staraya Ploshchad) recently, were shocked by portraits of the leader of the proletariat in the offices. And, by way of humanitarian aid, they tried to take one of them down.

They tried for an hour, apparently using all available means. However, the portrait would simply not budge. Maybe because in our country these portraits are still more than just an interior decoration detail.

Khasbulatov Blamed for 'Government's Bad Policy'

PM2301150192 Moscow PRAVDA in Russian 22 Jan 92 p 1

[Stanislav Oganyan report under the "Dissenting Opinion" rubric: "Svyatoslav Fedorov: 'Khasbulatov Himself Is To Blame...'"]

[Text] At a recent meeting with journalists at the "Hammer Center," the well known Russian surgeon and entrepreneur Svyatoslav Fedorov said a number of things which I believe are of interest to readers.

Speaking about people's situation in our country, he said:

"We are all slaves. And the worst thing is that we are clever, intellectual slaves. If we nonetheless now receive or win our freedom, we could lift up this state and carry it out of the crisis in a matter of five years or so. We have people in our country who know how to work. But they are led by people who intimidate, cheat, and dupe and who make the people work for them, expropriating all the revenue."

"But here is how a normal capitalist system is organized," S. Fedorov went on. "You have property, I have property, we are individuals. We make profit, pay taxes, and elect our people to parliament, and they cleverly distribute our taxes and hand them over to the government for correct use. A simple system...

"The cornerstone of statehood is a free, property-owning individual. If he has no property, he is a slave, a captive."

Asked why, for what reasons, he was not appointed head of the Russian Government, S. Fedorov said:

"What happened is this. The program which I had in mind was totally unacceptable to both the bureaucratic systems and the parliamentary structures, and I even believe that Yeltsin is scared of this program. It is a program which envisages the handover of land to peasants, of factories to workers, and of institutes, laboratories, and so forth to their staffers. By turning over all this property we will make our people into millions of individuals who will receive the chance to work and earn money."

The following question was asked: What is your assessment of the present Russian Government's policy and of the criticism leveled at it by Khasbulatov?

"The main blame for the government's bad policy rests with Ruslan Khasbulatov," S. Fedorov said. "Take a look, there is not a single law under which it would be possible to give land to the peasants and the factories to the workers. Therefore it is he who is to blame for the appalling situation in our country..."

General Denies Warning Khasbulatov of Coup

PM2001094192 Moscow IZVESTIYA in Russian 18 Jan 92 Morning Edition p 2

[Feature comprising letter from Colonel General I.N. Rodionov followed by editorial response: "Which Rodionov Was Khasbulatov Talking About?"]

[Text] Esteemed Comrade IZVESTIYA Chief Editor!

The article in your newspaper 14 January this year (evening edition) headlined "Reforms Must Be Carried Out by a Team, Not by Freelance Operators" says the following: "...Ruslan Khasbulatov said that he has been constantly called by military men over the last few days (he named well known people—Alksnis, Petrushenko, and Rodionov) warning that there will be a military coup in our country 20 January" (end of quotation).

As the "April 1989" [reference to Tbilisi violence] Rodionov, I can say that I did not telephone Comrade Khasbulatov. I have three things to ask you in this connection.

First. I ask you to publish my denial in IZVESTIYA.

Second. Could you tell the newspaper's readers and me how and why an untrue provocative statement appeared in such a respected newspaper?

Third. Who will bear responsibility for this? And what kind of responsibility?

I.N. Rodionov

From the Editorial Office

There is every indication that the sentence cited in the letter from the report on the Russian Supreme Soviet Presidium session published in the 11th issue of IZVESTIYA provoked a lively reaction among the top military leadership. In addition to Colonel General I. Rodionov, chief of the General Staff Academy, the editorial office received a phone call from Lieutenant General Yu. Rodionov, chief of the Commonwealth of Independent States Armed Forces Main Personnel Directorate, informing us that he had not made any telephone calls to the chairman of the Russian Supreme Soviet. We do not rule out the possibility of denials from other military men of the same name.

So we are also willingly carrying out General I. Rodionov's second request. The statement that elicited his displeasure was made by Ruslan Khasbulatov, chairman of the Russian Supreme Soviet, in an entirely official capacity—during the Russian Supreme Soviet Presidium session 13 January. While discussing the question of setting up a Russian Supreme Soviet Control and Budget Chamber, the parliament's chairman also issued a statement saying that he was being called and promised a military coup 20 January. Verbatim, his statement went as follows (interested parties can check the stenographic record of the session): "Alksnis, Petrushenko, and Rodionov are calling. Military men are calling, some anonymously and some giving their names." So it would probably be more logical for anyone who wants to find out which Rodionov the speaker meant to ask the author of the statement directly.

Environmental Official Holds News Conference

Situation 'National Catastrophe'

PM2301161592 Moscow IZVESTIYA in Russian 23 Jan 92 p 1

[Vasiliy Kononenko article: "Reactor of Nuclear-Powered Icebreaker Lenin Dumped in Kara Sea. State Counsellor A. Yablokov Claims: Ecological Situation in Russia Close to Catastrophe"]

[Text] Prior to a meeting with journalists held at the government press center on Starya Ploshchad 22 January, A. Yablokov, Russia's state counsellor for ecology and health matters, shocked those present with a written statement from which it follows that the ecological situation in Russia is close to a national catastrophe. Here are some excerpts from this document.

Disaster Areas

At the moment areas especially contaminated as a result of the Chernobyl catastrophe and some areas in the Southern Urals are officially described as Russia's ecological disaster zones. Certain territories in the Volga region, the Kuzbass, Central Yakutia, the Amur River Valley, Krasnoyarsk Kray, and the Kola Peninsula should be added to these. Practically all the republics, krays, and oblasts have their own ecological problem and disaster zones.

Until now little attention has been paid to one aspect of ecological safety, the aspect of the mounting risk of disasters brought about by technological development (burst pipelines, for example, or earthquakes caused as a result of pumping large quantities of water or oil from the earth). For example, up to 700 major oil and gas pipeline bursts are occuring in the country annually. According to various estimates, 7-20 percent of the country's oil output, that is tens of millions of tonnes, are lost this way. A. Yablokov emphasized that certain foreign companies are even interested in collecting the spilled crude and fuel oil.

The statement points out that, according to predictions, in 20 years' time more than one-half of Moscow's territory will be suffering from a dangerous rise in ground water. Right now between 10,000 and 15,000 rubles per urban dweller is spent in Russia annually to save existing buildings in cities. An urgent need has arisen to elaborate a plan of preventive measures based on a universal ecological pasportization of enterprises and territories.

Life Expectancy Has Decreased

The document also cites life expectancy figures for Russia which are causing concern. Average life expectancy in 1964-1965 was 70.4 years. A decline set in in the late eighties, and in 1990 the figure was 69.3 years. Forty percent of the men who died in Russia during the past year had not yet reached retirement age. Average life expectancy in several especially polluted cities is below retirement age.

A. Yablokov also cited new details: Life expectancy among the numerically small peoples of the North is 46-50 years, and, according to Norwegian specialists' statistics, people who live in the city of Nikel only live to 44 years of age on average.

The state counsellor also drew attention to the scale of radioactive contamination in Russia, for which no complete data are yet available. It is a question of territories on which nuclear explosions for so-called peaceful purposes were carried out. There were a total of 120 of them, of which more than 20 in the Volga basin, 12 in Yakutia, and so on. Only fragmentary information is available about the serious radioactive contamination of territories as a result of the production of nuclear weapons in the closed cities of Chelyabinsk-6, Arzamas-16, Krasnoyarsk-45, and Tomsk-7. According to A. Yablokov, we

also have no idea what is going on in the shallow waters of the Kara Sea, where the nuclear reactor of the atomic icebreaker Lenin was buried (dumped in the water), and the same applies to other places where nuclear waste has been buried. Five billion rubles have been allocated in the Russian budget in the current year to combat radioactive contamination. According to the state counsellor, the following approach has been adopted in this sphere: Avoiding mass evacuations of people in favor of decontamination of striken territories wherever possible; conducting comprehensive screening of the population. Sound methods for this already exist—analyzing blood samples or the structure of tooth enamel.

And there is another danger threatening us, A. Yablokov went on—the inadequacy of ecological legislation. For example, the management of natural resources by local organs of power often leads to their predatory destruction. (For the sake of comparison, a forest owner in France does not have the right to fell trees without the appropriate authorization of the organs of power). Therefore the definition of the balance of interests between the owner of a specific territory and the state as a whole remains an urgent task.

There Is No One to Blame

Replying to an IZVESTIYA correspondent's question concerning the elaboration of a mechanism to protect the environment against destruction, A. Yablokov noted that a new concept is being drawn up in this sphere. It is based on principles of charges for the utilization of the environment, and payments for pollution and disruption of the ecological balance. It is not a question of fines exacted for damage caused, but, just like in all developed countries, of compensation for this damage, which is immeasurably greater than any fine. However, the key factor of the state policy for improving Russia's ecological situation and the population's health will be the implementation of every citizen's right to a healthy environment. In the United States, for example, some 1,500 people are annually suing enterprises which have damaged their health. Only one-third of the suits are successful. Nonetheless, producers live under the sword of Damocles, so to speak, insofar as huge sums of money are involved (which may mean bankruptcy). And this forces them to conduct their business in civilized fashion. For the time being, we are the most polluted inhabitants of Europe, the state counsellor said, but we will take the route of developed countries, he emphasized.

Pollution, Ecological Council Viewed

LD2301142592 Moscow Mayak Radio Network in Russian 1441 GMT 22 Jan 92

[Excerpts] In Moscow today, there was a news conference by Aleksey Vladimirovich Yablokov, state counselor of the Russian Federation for Ecology and Health and chairman of the Coordinating Council for Ecological Policy of the Russian president's office.

The news conference was attended by my colleague Aleksandr Ruvinskiy, so let us hear what he has to tell.

[Ruvinskiy] The news conference was about the shaping of a Russian ecological safety policy. [passage omitted]

And one of the most important aspects of ensuring ecological safety is preventing the deterioration of the health of our population. Facts were cited: the average life expectancy in Russia reached its maximum in the mid-60s when it amounted to 70.4 years and then it fell to 67.6. In the United States, the average life expectancy is now 6 years more than ours, and in Japan it is 8 years more. Forty percent of the men who died in Russia in 1990 were of working age.

Another aspect of this problem: 30 percent of food products in 1989 were dangerously polluted with chemicals, and the water now in 75 percent of rivers and lakes is simply not suitable for drinking.

In January of this year, on the instructions of the president, a Coordinating Council for Ecological Policy was set up led by Yablokov. One of its main tasks is to combat the dangerous trends which have been noted. One of these is the replacement of departmentalism by parochialism. Previously departmentalism did enormous ecological harm and now parochialism does. The right of ownership of resources, Yablokov believes, does not mean the right to do what you like with them uncontrolledly.

At the news conference, a question was especially noted which now needs urgent address. This is better organization of the nature protection service, immediate improvement in the work of monitoring the state of the natural environment, and also further improvement of the system of protection of the population from especially dangerous toxins. Facts were cited which were really tragic, but this news conference had its consolations in that in Russia, despite all the economic troubles now being experienced, ecology has not been forgotten and is still the center of attention. [passage omitted]

Gorbachev May 'Shed Light' on CPSU Finances

LD2301135692 Moscow TASS in English 0856 GMT 23 Jan 92

[Text] Moscow January 23 TASS—"Mikhail Gorbachev should be questioned" in connection with a case involving the party finances, Yevgeniy Lisov, deputy procurator-general of the Russian Federation, said in an interview published in today's ROSSISKAYA GAZETA.

The investigation has no questions to the former Soviet President and former general secretary of the Soviet Communist Party (CPSU) Central Committee in connection with the coup case. A separate case about the party finances is now in the works, Lisov said.

Analysts believe that the Russian procurator's office is convinced that former General Secretary Mikhail Gorbachev can shed light on some issues, connected, in particular, with the financing of foreign Communist Parties by the CPSU.

According to Lisov, "the financial activities of the party" have been singled out as a separate case. "It is a question of hundreds of millions of dollars over the past decade," Lisov emphasised.

Party Funds Targeted for Social Measures

PM2201170392 Moscow ROSSIYSKAYA GAZETA in Russian 21 Jan 92 First Edition p 1

[Resolution No. 13 of the Russian Federation Government "On the Transfer of Funds and other Property Formerly Belonging to the CPSU and the RSFSR Communist Party," dated Moscow, 4 January 1992 and signed by Russian President B. Yeltsin]

[Text] In implementing RSFSR Presidential Decree No. 90 "On CPSU and RSFSR Communist Party Property" dated 25 August 1991 and Decree No. 169 "On CPSU and RSFSR Communist Party Activity" dated 6 November 1991, the Russian Federation Government resolves:

1. That ruble funds formerly belonging to the Central Committees of the CPSU and the RSFSR Communist Party deposited in accounts at USSR Gosbank [State Bank], commercial banks, and other credit institutions located on Russian Federation territory be credited to a special Russian Federation Government extrabudgetary account that is being opened at the Russian Federation Central Bank.

The special extrabudgetary accounts being opened at banking institutions for the appropriate organs of executive power of the Russian Federation are to be credited with ruble funds that used to belong to CPSU and RSFSR Communist Party committees of republics within the Russian Federation, and kray, oblast, okrug, city, and rayon committees, and were deposited in accounts at USSR Gosbank, commercial banks, and other credit institutions located on Russian Federation territory.

The said funds are to be credited to the special extrabudgetary accounts excluding sums liable for repayment in line with RSFSR Council of Ministers Orders No. 952-r dated 28 August 1991 and No. 960-r dated 29 August 1991.

2. The Russian Federation Ministry of Economics and Finance, in conjunction with the Russian Federation State Committee for Managing State Property and the Russian Federation Justice Ministry, is to establish a procedure for the confiscation of funds formerly belonging to the CPSU and the RSFSR Communist Party that were placed in insurance and joint-stock companies, joint enterprises, and other institutions and organizations located on Russian Federation territory (in the form of a share in the incorporation capital, securities, and other financial assets), and also a procedure for managing this property until the said funds are recalled. Here they must proceed from the established procedure for withdrawing funds from the said commercial structures.

3. All foreign currency funds that used to belong to the CPSU and the RSFSR Communist Party are to be credited to a special foreign currency account being opened at the Russian Federation Foreign Trade Bank.

4. CPSU and RSFSR Communist Party funds coming into special extrabudgetary accounts at the Russian Federation Central Bank and other banks are to be targeted by the appropriate organs of executive power on help for orphaned and disabled children, children who suffered as a result of the Chernobyl disaster and other environmental impacts, low-income families and families with many children, and on other measures for the social protection of children.

A list of said measures to be financed out of the special accounts being opened at the Russian Federation Central Bank and the Russian Federation Foreign Trade Bank is to be drawn up on the basis of proposals formulated by the Russian Federation Ministry of Social Protection for the Population.

The Russian Federation Ministry of Social Protection for the Population is to monitor the use of the funds and keep the public constantly informed of this via the mass media.

5. In order to regulate the use of real estate and movable assets formerly belonging to the CPSU and the RSFSR Communist Party (other than financial property), the appropriate organs of executive power, in conjunction with organs of the Russian Federation State Committee for Managing State Property, are to monitor the effectiveness with which the said property is being used.

[Signed] B. Yeltsin

Ministry of Nuclear Energy Established

PM2301155792 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Jan 92 p 1

[Report by S. Brilev: "Yeltsin Splits The Atom"]

[Text] On 21 January President Yeltsin chaired a conference in the Kremlin on questions of the development of the Russian nuclear program and its production of nuclear weapons. The chief result of the meeting was the creation of a Russian Ministry of Nuclear Energy, which will now for the most part coordinate the activities of various nuclear industry enterprises that are acquiring some autonomy in terms of handling production tasks. The new organ is to elaborate state programs on nuclear energy and monitor their implementation once they

have been approved by parliament. Plants and technology for the production of nuclear weapons will remain under the ministry's complete control.

Ministry of Railways Created; Minister Named

LD2301120892 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 22 Jan 92

[From the "Novosti" newscast]

[Text] In line with a decree issued by Russian President Boris Nikolayevich Yeltsin, the Russian Federation Ministry of Railways has been created on the basis of the USSR Ministry of Railways, which is being abolished. All the structures and management systems, the enterprises, offices, and organizations of the USSR Ministry of Railways situated on the territory of Russian Federation as well as abroad are being handed over to the new ministry.

Gennadiy Matveyevich Fadeyev has been appointed minister of the Russian Ministry of Railways.

Government Creates New Ministry of Science

LD2301115692 Moscow TASS in English 2011 GMT 23 Jan 92

[Text] Moscow January 22 TASS—In keeping with the Russian presidential decree "On the Reorganisation of Bodies of State Management in the Russian Federation," the Russian Government adopted a resolution to create a Ministry of Science in the republic on Wednesday [22 January].

The ministry will incorporate organisations of the former Soviet State Committee for Science and Technology, the Soviet Higher Certifying Commission, the Soviet State Patent Agency, the Soviet State Committee for Education and the Russian State Committee for Science and High School.

New Department Tackles Air Transport Problems

PM2301114792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1900 GMT 18 Jan 92

[Report by B. Baryshnikov and V. Gaydanovich; from the "Novosti" newscast]

[Excerpt] [Baryshnikov] The Russian Air Transport Department, the successor to the abolished Ministry of Civil Aviation on the territory of the former RSFSR, has inherited virtually all the outstanding problems. But if you recall the situation at the end of last year, when passengers and airmen alike were inconvenienced by a fuel shortage, you can see that it is already starting to come to grips with some of them. The department has managed to fundamentally improve the situation. Almost all airports have been supplied with fuel. Privatization of aviation enterprises should be carried out soon. Modern new airliners are going to be acquired at long last, including Boeings. A powerful air navigation system will be formed. These are only the first results of the new department's activities, but they are already making themselves felt. [passage omitted]

Appeal Made for Tougher Consumer Protection

PM2301143792 Moscow ROSSIYSKAYA GAZETA in Russian 22 Jan 92 First Edition p 5

[Appeal by P. Shelish, chairman of the Russian Federation Consumer Union; A. Auzan, first vice president of the Federation of Consumer Societies; A. Dolzhenko, chairman of the North Caucasus Region Association of Consumer Societies; V. Kostenko, chairman of the Irkutsk Consumer Union; V. Speranskaya, chairman of the Moscow Consumer Union; V. Solovyanov, chairman of the Novosibirsk Consumer Society; and M. Polyachek, chief editor of the newspaper CHESTNOYE SLOVO, carried under the "View" rubric: "Right To Survive Must Be Guaranteed by Law"]

[Text] On 12 December 1991 the RSFSR Supreme Soviet passed Resolution No. 2014-1, which laid down, among other things, that the norms of the former USSR apply on Russian territory insofar as they do not run counter to the RSFSR Constitution, Russian legislation, or the agreement on creating the CIS [Commonwealth of Independent States] and until the adoption of relevant legislative acts by the Russian Federation. In accordance with this resolution, as confirmed in the Russian Ministry of Justice, the USSR Law "On the Protection of Consumers' Rights" came into force in the Russian Federation as of 1 January.

One of the basic rights of citizens established by that law is the right to a guaranteed minimum level of consumption. As a fundamentally new concept in Soviet law, it stems from Article 25 of the Universal Declaration of Human Rights and is in line with the legislative practice of many countries.

Under this law, organs of management bear responsibility for ensuring that all citizens are able to acquire the guaranteed minimum amount of goods and services set by soviets. Families whose total income falls below this minimum for reasons beyond their control should be paid monetary compensation enabling them to acquire the minimum requisite quantity of goods and services at the prices current in the region.

In accordance with this law, some local soviets (St. Petersburg, Tver) have already adopted decisions drawing up and introducing guaranteed minimum consumption norms. It is difficult to overestimate the importance of such measures, especially since 2 January. This is a vital question for many people today.

However, it seems that these people will simply remain unprotected. In the final days of last year, the Russian Supreme Soviet passed at first reading a draft Russian law on the protection of consumer rights, which contains

no right to a guaranted minimum at all. The "right to survive" could be established for Russian citizens by another law, for example a law on the social protection of the underprivileged, the drafting of which was envisaged by a resolution of the Congress of Russian Federation People's Deputies passed 18 months ago now. So why is there no such law yet!

The lack of guarantees ensuring people's survival is not the only defect of the draft law. As its preamble states, the law regulates relations between consumers and businessmen. But the railroad, the mail, housing and municipal services, charitable organizations, and many other producers of goods and suppliers of services are not covered by the concept of business. Consumers thus remain unprotected here.

The rights of purchasers to exchange goods which are not of suitable quality have been considerably restricted in comparison with the Union law and the similar laws of Ukraine and Kazakhstan. On the other hand, the creation of a new monopoly department under the State Committee for Antimonopoly Policy and the Support of New Economic Structures is envisaged. It is not difficult to imagine whom this committee will favor—the consumer or the businessman.

Thus only one step remains before the adoption of an act substantially curbing the rights given us by already existing legislation. This has become possible because the procedure for drawing up and examining the Russian draft law was far from democratic. The draft was not published, its authors remained anonymous, and not only were the interested public organizations not invited, but their participation in the work was hampered in every possible way. Even the deputies belonging to the Supreme Soviet working party were not invited to its sessions. And finally, members of the Russian Supreme Soviet were directly misled by a note accompanying the draft which claimed that "in comparison with the Union law, it contains fuller and more specific regulation of all questions concerning the protection of consumer rights" and that it had been approved by the aforementioned state committee's Council for Consumer Affairs with the participation of regional consumer societies. All this does not correspond to reality.

We urge members of the Russian Supreme Soviet to prevent the automatic passage of the law on its second reading. Instead we ask for the immediate creation of an authoritative commission with the participation of the Russian Federation Consumer Union which, on the basis of analysis of the experience of the operation of the Union law on Russian territory, will prepare proposals to develop all Russian legislation in this sphere to ensure that it stiffens, rather than weakens, the legal protection of Russian consumers.

Republican Party Platform, Membership Outlined

PM2301155192 Moscow ROSSIYSKAYA GAZETA in Russian 22 Jan 92 First Edition p 2

[Article by V. Lysenko, Russian Federation people's deputy and cochairman of the Republican Party of the Russian Federation: "Republican Party of Russian Federation: Political Self-Portrait"]

[Text] 1. The Republican Party of the Russian Federation [RPRF] grew out of the "Democratic Platform in the CPSU," which left the Communist Party at the 28th CPSU Congress.

The RPRF's Founding Congress was held 17-18 November 1990. The party has over 5,000 members.

2. The party's name stems from its members' desire for the revival and genuine sovereignty of the Russian Federation and from the fact that at the time of its creation there were already around a dozen parties with the word "democratic" in their names.

3. On the state structure: For Russia, a single federal, democratic state. For the "former Union," a Commonwealth of Independent States along the lines of the European Parliament and the EEC.

4. The RPRF is a social-liberal party at the center of the political spectrum and free from the both extreme right and extreme left radicalism:

—it is a party with a high intellectual and cadre potential quite widely represented in local organs of power and with influence in the Vorkuta and Kuzbass worker committees. Over two-thirds of its members are representatives of the intelligentsia with higher education;

—it is a party of compromise and dialogue which sets itself the task of establishing cooperation between the Democratic Russia movement and the Movement for Democratic Reforms.

—it is a party with a flexible and well considered nationalities policy and enjoys respect both in the former Union republics and in the autonomous formations of Russia.

The RPRF has structures in 70 out of 78 territorial units in the Russian Federation.

5. The RPRF has appreciable influence in the Urals (Yekaterinburg, Perm, Chelyabinsk), Siberia (Omsk, Tomsk, Novosibirsk, Krasnoyarsk, Norilsk), Moscow, the south (Rostov, Krasnodar, Stavropol), and St. Petersburg. We are represented in Kabardino-Balkaria, North Ossetia, Tatarstan, Mariyskaya Kalmytskaya, Komi, Adygey, and Bashkortostan by independent parties which are members on a federal basis; in the center (Voronezh, Nizhniy Novgorod, Tambov, Tula, and Ivanovo) and in the Volga region (Samara, Volgograd, and Astrakhan). [sentence as published]

6. We count on the support of the creative, higher education, and engineering and technical intelligentsia, teachers, medium- and small-scale entrepreneurs, skilled workers, servicemen, and students.

7. The following enjoy prestige in the party and the democratic movement: Party Cochairmen V. Lysenko, V. Shostakovskiy, and S. Sulakshin (he temporarily suspended membership after appointment as plenipotentiary representative of the Russian president); T. Alayba, chairman of the Yekaterinburg RPRF and Democratic Russia; V. Bolov, leader of the Kabardino-Balkaria democrats; A.S. Kazimov, leader of the republicans in the Mary Republic and candidate for the presidency of the republic...

8. There are plenty of shortcomings and difficulties, such as the party's poor material and financial base and the lack of premises and information and copying equipment.

In a number of regions the growth of party ranks has slowed and in some places even stopped. There is insufficient manpower and resources to create a party scientific analysis center. There are few regional party newspapers although the all-party newspaper GOSPODIN-NAROD [Mr. People] (100,000 copies) is one of the most interesting party newspapers.

The party lost many people as a result of the attempt to unite with the social democrats at the end of 1990 and the first half of 1991. The abandonment of this plan led to the withdrawal from the party of seven activists and the effective repudiation of the party by part of the Moscow organization (the group headed by V. Filin).

There are both general reasons for the RPRF's difficulties—the prevalence of antiparty feelings in society—and specific reasons connected with the party's communist past, the lack of "stars of the first magnitude," and factional infighting.

9. Its size and popularity will depend on the success or failure of the economic reforms in Russia and on the place that the RPRF manages to occupy in the reformist process.

Contact telephone numbers: (095) 298-13-49; 241-31-44.

Marxist Workers Party Publishes New Paper

PM2201134792 Moscow PRAVDA in Russian 21 Jan 92 p 2

[Albert Petrushov report: "New Newspaper—RABOCHIY"]

[Text] RABOCHIY [Worker]—This is the name that the Marxist Workers Party and the independent worker trade union "Zaschita" [Defense] have given to their newspaper. The first issue of the newspaper sold out instantly.

This is primarily thanks to an article by Tatyana Koryagina entitled "Invasion" and devoted to an analysis of organized economic crime in our country and how criminal capital has merged with state functionaries. In the opinion of the academic, in the short time since its legalization, the capital of operators in the shady economy has almost doubled, growing by 50-60 billion rubles. In subsequent issues of the newspaper the editors will continue publication of articles about how shady capital usurps state and social property and creates a state in its own image.

Scientists 'Satisfied' With Yeltsin Talks

PM2401121992 Moscow PRAVDA in Russian 23 Jan 92 p 1

[Report by Anatoliy Petrov: "Will the Atom Remain in One Pair of Hands"]

[Text] "Will We Save Our Nuclear People's Souls?" An article with this headline was published in PRAVDA on 21 January. The future of the nuclear complex, which has been left unsupervised, as it were, following the disintegration of the USSR, concern for our nuclear scientists, and the West's anxiety about the "nuclear brain drain" from the USSR to other countries are topics that have also been raised in other articles in the paper. In particular, the article by people's deputy Yu. Stepakov "Have We Divided Up Everything? Even the Atom?" (20 January 1992).

Apparently we will "save" the nuclear people's souls. Hopes of this are inspired by Russian President B.N. Yeltsin's meeting with representatives of the nuclear complex, including scientists. The meeting lasted five hours. Details were not provided.

Yesterday we telephoned Professor V. Mikhaylov, deputy minister of nuclear energy and industry of the former USSR and one of the "heroes" of the article "Will We Save Our Nuclear People's Souls?", and asked him to answer the question: How did the meeting go?

[Mikhaylov] We were satisfied with the meeting with the president. I do not think that was my opinion alone. The main aspects of the state of affairs in the nuclear complex were examined. Including questions of reducing nuclear confrontation and safety, in particular in the nuclear energy industry, and others.

[Petrov] Was the future of the nuclear scientists discussed?

[Mikhaylov] Yes, there was a significant discussion on that topic. Incidentally, Academician Yu. Khariton, doyen of nuclear science, attended the meeting.

[Petrov] What will happen to your department?

[Mikhaylov] There was support for the idea of a centralized state administration.

Conversion at Zheleznogorsk Weapons Plant

92UM0351A Moscow IZVESTIYA in Russian
11 Jan 92 Union Edition pp 1, 8

[Article by Aleksey Tarasov and Dmitriy Khrupov: "Spy Satellites Are Made Here: Report From a Closed Military City"]

[Text] This taiga city—the holy of holies of the military-industrial complex which produces plutonium for arms and spy satellites and, previously, missiles as well—is located not far form the Stolba national preserve, 64 kilometers from Krasnoyarsk. Quite secret, it has had various names—"Devyatka," Krasnoyarsk-26, Zheleznogorsk. But it is most correct to refer to it as Atomgrad. There are two secret enterprises here which previously worked in harmony to forge the country's nuclear missile shield. The missile part of the shield was forged by the Scientific Production Association for Applied Mechanics (general designer—a scientist and colleague of S. Korolev, Academician M. Reshetnev), and the nuclear part—the mining-chemical combine (director—V. Lebedev). Now that the shield has shrunk and seems to be unnecessary, these unique enterprises have one task—to survive.

Deputy Head Engineer of the mining-chemical combine P. Morozov, one of the pioneers of Atomgrad, says:

In conjunction with Soviet and foreign firms we intend to produce polycrystal silicon, monosilicon, and gallium arsenide. An agreement will soon be concluded with the Koreans—they will install at our site a technological line for assembling Samsung television sets. They have already manufactured experimental models that do not require isotopic illuminators. We will extract valuable components from medicinal herbs and fir trees. But in order for us to take a serious approach to these plans we will have to release working hands, which we do not have the right to do—for basic production is not being halted.

Having spent two days in the secret city and driven a car through tunnels and covered what seemed to a considerable part of the multilevel underground, going through innumerable laboratories, offices, and shops and having visited the very heart of the "kingdom of darkness"—the central reactor hall—when we returned to the light of day we found it difficult to believe the words of our guide: "You have seen barely one-twentieth of it." In the 1970's the volume of excavation of the man-made cavern was compared to that of the Moscow metro. But here we have granite and rock. It took more than 65,000 prisoners and more than 100,000 soldiers to dig it out.

At the beginning of the seventies the atomic energy workers started thinking about what to do with the "tailings"—radioactive wastes (RAO). In 1972 they began to design the RT-2, and they started building it in 1978. Even the workers of the mining and chemical combine knew that an incredible amount of fissionable materials had been accumulated, and the reactors do not last forever. But the RT-2 would make it possible in any political climate not only to preserve the collective of the combine but also to keep the branch competitive. But in 1985 there was a sharp reduction of the financing for the project. Now the elaborate structures are being destroyed. And 200 million rubles [R] have been thrown to the wind. Just preserving the construction would require R30 million (in 1991 the mining and chemical combine was allotted only 1.5 million).

If one is to think seriously about the continuation of the construction of the RT-2, it will be necessary to attract foreign capital. It is clear that Russia will not be able to find the necessary sum. The South Koreans have shown an interest. They have already given us to understand that, although negotiations are not being conducted yet, they are prepared to pay a million dollars for every ton of fuel that is produced and stored at the mining and chemical combine. And in the future they will finance the construction of the RT-2 (so far only the first section is in operation). Nuclear facilities of Japan and India are being considered as possible suppliers of nuclear wastes and hard currency. The British have also expressed an interest in this project. And the leaders of the mining and chemical combine say that this is nothing like any "international waste dump."

What has not happened in the history of Atomgrad?! At the end of the fifties the military decided to place next to the reactors and radiochemical plants Krasmash (Krasnoyarsk machine building plant) as well—for producing cannons and missiles. This "delirious" fantasy of the generals was squelched by Nikita Khrushchev. When he visited the nuclear grave in 1961 he understood that should there be a nuclear attack, to put only production underground was pointless—how many hours it could function, if a strike were delivered and the city that serves the underground destroyed?

The firm's subsequent development proceeded much more logically. They gradually changed over to designing, manufacturing, and testing spy satellites, space vehicles, special communications, and also satellites for the Academy of Sciences. More than one-third of the Kosmos space vehicles are the work of the skilled workers here. Today the Scientific Production Association of Applied Mechanics is the country's leading enterprise for space missile complexes for communications and television broadcasting. In this area the association's output is represented by the Molniya, Raduga, Gorizont, Ekran, Luch, and Radio satellites, navigation (including the Tsikada and Glonass satellites), and geodesy (GeoIK and Etalon). Large Western firms are glad to work with the scientific production association. Their assessment of the items and the experimental base of the enterprise are the most enthusiastic.

But today it is hard to distinguish the problems of Academician Reshetnev's firm from those of the mining and chemical combine. The collective of the unique space firm has changed from Kosmoses... to Kuznechiks. And the Kuznechiks are merely children's sports training simulators—a tubular frame with supports for the legs

and springs. An enterprise capable of setting up reliable communications throughout the country is reduced to making water bottles and health gadgets.

And this is conversion?

Of course, they are looking for a way out of the situation. Ye. Ashurkov, the deputy general designer, said that in order to provide a wide range of services in space communications the scientific production association is developing a series of geostationary vehicles of a new generation. They include Gelikon, Arkos, Mayak, Gonets, and others. The scientific production association is also the cofounder of the Informkosmos association, which was created for the development, manufacture, and commercial operation of the satellite communications system. Its main task is to replace the obsolete Gorizonts, which for 30 years now have been providing for television broadcasting throughout the entire territory of Russia. The government does not have the money for this. The Vostok commercial bank has undertaken to finance it. It will be necessary to make 10 Ekspress satellites in a hurry.

But, judging from everything, these plans might fall through. Why? The Russian leadership has resolved to abolish compulsory preservation of existing economic ties based on the unilateral demand of the customers. And the scientific production association of applied mechanics has more than 3,000 associates. Usually the association has concluded 80 percent of its contracts by the beginning of the year. Today only six percent of them have been signed.

It is not difficult to guess what awaits of the collective of the scientific production association in the future. When showing us Glas, the latest television satellite, the enterprise's head engineer, O. Chukanov, said: "This is the first and apparently the last satellite of its kind." The prediction of a corresponding member of the USSR Engineering Academy and deputy general designer of the scientific production association for applied mechanics, K. Smirnov-Vasilyev, was even gloomier: "Our enterprise will be destroyed by one sentence of the ukase. If everything continues to proceed as it has been, in two years the television sets in the country will start to go dark..."

The decree of the Central Committee of the VKP(B) [All-Russian Communist Party (Bolsheviks)] and the USSR Council of Ministers on the construction of the mining and chemical combine and the city was adopted after Beriya visited the banks of the Yenisey. And when the barriers are raised and you are allowed to go into this city, which does not appear on the map, it seems that the spirit of Lavrentiy Pavlovich has still not disappeared. The streets are as straight as the path of a bullet, the buildings are in the empire style, the soldiers marching through the city square, the guards on the platforms of the commuter trains bringing the next shift to the nuclear underground.

Until recently the city of 100,000 lived somewhat differently from the rest of the country. To this day there are no waiting lists for the day nurseries or kindergartens and the schools operate on one shift. Many of the children's institutions have excellent swimming pools. There is even a zoo with exotic animals. The housing is all departmental but the residents of the city have much less of a problem obtaining it than they do on the other side of the barbed wire.

But life with all its problems is becoming oppressive. The former privilege—the city was supplied with everything it needed from the Center—has turned into misfortune. There are no longer any centralized deliveries and the kray budget simply does not include expenditures on Atomgrad. All that is left is barter. But who needs five kilos of plutonium? Or spy satellites?...

The chairman of the city executive committee, I. Chuprina, does not try to conceal the fact that conversion is a catastrophe for a city like that. There are about 10 closed cities like Atomgrad in Russia. Perhaps it really would be worthwhile for the government to think about how to protect them from social explosions, since they serve such dangerous productions.

Atomgrad is not a preserve. Because of the scientific and technical intelligentsia who have been visiting the capitals recently, political life is fairly active. Parties, movements, rallies. Everything is as it is everywhere else. They even had their first strike recently—truck drivers. And it apparently makes no difference to the state that they are striking right next to reactors and mountains of plutonium, that there is not enough work in Atomgrad today, and each day the city executive committee sends a bus load of people wanting jobs to the Krasnoyarsk plant for industrial rubber items.

The city's chance of survival lies in the construction and startup of the second section of the RT-2. But today perhaps nobody can tell how realistic this chance is. The most important reason for this is the lack of both a law on the use of nuclear energy and a state concept for dealing with radioactive wastes (RAO). Obviously, it is necessary to conduct parliamentary hearings and finally clarify what kind of fuel cycle we have. If it is incomplete, as it is, for example, in the United States, there is no point in completing RT-2 and the radioactive wastes should be buried where they were obtained. But if we select a closed cycle, then we cannot get along without RT-2. The state does not have the right to turn a problem of such importance over to the mining and chemical combine.

The opinions of the atomic energy workers, scientists, and deputies of the "greens" concerning the expediency of constructing the plant are fairly diverse and contradictory. It is clear that we must do a thorough study of this. The more so since the question of what to do with the radioactive waste will have to have an answer sooner or later.

It is dark in the hall where the central control panel of the first operating section of the RT-2 is located; there are not enough light bulbs.

There are not enough soldiers to guard the nuclear cellar—there is a shortage of special clothing.

In the tunnel under the Yenisey, which is more than two kilometers long, we traveled slowly, sprayed by water coming down from the concrete arch. It was unbearable to see. So much effort, money, and time had been spent for nothing! The construction of the site intended for burying liquid radioactive wastes had been halted. And here the tunnel was damaged. It would be better to flood it completely. They say that concrete is preserved best when it is wet. Perhaps some day they will have to pump out the water...

Does this taiga city interest any of the leaders of Russia?

And in general does anybody understand what we are doing?

Cosmos-2175 Launched From Plesetsk Cosmodrome

LD2201111792 Moscow TASS International Service in Russian 0855 GMT 22 Jan 92

[Text] Moscow, 22 Jan (TASS)—On Tuesday [21 January] another artificial Earth satellite, "Cosmos-2175," was launched from the Plesetsk Cosmodrome using a "Soyuz" launch vehicle.

The satellite is carrying scientific apparatus for continuing space research.

The satellite has been placed in an orbit with the following parameters:

—Initial period of revolution - 88.6 minutes;
—apogee 373 km;
—perigee 173 km;
—orbital inclination 67.1 degrees. In addition to scientific apparatus, the satellite is carrying a radio system for the precise measurement of orbital elements, and a radiotelemetry system for transmitting data to Earth about the work of the instruments and scientfic apparatus.

Poll Shows Fall in Support for Yeltsin

PM2201121592 Moscow IZVESTIYA in Russian 21 Jan 92 Morning Edition p 2

[Report by Nugzar Betaneli: "People Are Becoming Impoverished, But They Continue to Have Faith in the Russian Government"]

[Text] The independent Institute of Sociology of Parliamentarianism has conducted another of its weekly telephone polls of Muscovites, commissioned by the ITA (Television News Agency) [Informatsionno-Televizionnoye Agentsvo] program "Results." A comparative analysis of the three polls (each of a sample of 1,000 respondents) carried out on 2, 9, and 16 January showed:

During the week [singular as published] there was a sharp increase in people's dissatisfaction with their lives—from 61 percent on 9 January to 71 percent on 16 January. People have become markedly less patient. Price liberalization is threatening an ever larger section of the population with poverty. At the beginning of January 25 percent of those polled thought that the new prices were "intolerable"; now social despair affects 40 percent of Muscovites. It is a dangerous symptom.

A computer model of the situation produced by the institute indicates that if the number of people who cannot tolerate the liberalization continues to increase at the same rate, the level of satisfaction with life will fall in society from the present 21 to 8 percent.

The state of affairs in Russia is increasingly provoking such feelings as tension (73 percent), uncertainty (55 percent), pessimism (47 percent). These feelings increased in the first three weeks of January from 15 to 23 percent.

The Yeltsin factor is currently playing a determining, stabilizing role both in mass sentiments and in politics. However, during January, faith in the success of his economic policy has weakened: from 53 percent on 2 January to 45 on 9 January and 42 percent on 16 January.

With the start of the economic reforms there has been increasing discussion of the question of the resignation of the Russian Federation Government, however, as the poll of Muscovites showed, the majority do not support the idea.

	Percentage of number of people polled
The present government should resign immediately	9
The government has not exhausted its potential and it must be given a chance	36
The government must stay and complete its reforms	40
Don't know	15

A computer model of the situation showed that if the majority of the population accepts the idea of the government's resignation, support for B.N. Yeltsin's economic policy will fall from the current 42 percent to 10 percent. On the other hand, if people's feeling of confidence and their conviction that the present government can actually carry the reforms to a conclusion increase, then faith in the success of the Russian president's economic policy will increase to 70 percent. The situation model showed that the measures being adopted in Russia must give people a feeling of confidence in the future, a belief in the government's stability, and, most important of all, provide people with at least basic living conditions during the price liberalization period.

President B. Yeltsin heads the Cabinet of Ministers, but not many people in Moscow know this. When asked on

whom the powers of Russian prime minister are conferred, only 24 percent named B. Yeltsin. Twenty-eight percent gave incorrect answers and 48 percent did not know.

There is yet another paradox of social life: Although the majority of those polled—76 percent—are against the Russian Government's resignation, a similar majority—65 percent—tends not to trust some of its statements.

The Russian Government gives assurances that it does not plan to carry out monetary reform, and the rumors about this are actually groundless. Do you believe this government assurance?

	Percentage of number of people polled
Yes	11
Yes rather than no	7
No rather than yes	17
No	48
Don't know	17

The poll showed that what worried Muscovites most during the past week was the economic and material position of their families (50 percent), the safety of members of families and dear ones (26), and the political situation (18). Worry about the safety issue increased by 4 percent.

Poll Questions Russians on Government Leaders

OW2201071192 Moscow INTERFAX in English 0623 GMT 22 Jan 92

[Transmitted via KYODO]

[Text] The news agency DATA reports the findings of an opinion poll carried out by the National Public Opinion Studies Center (VCIOM) among 1,070 people in 13 Russian cities on January 18-19.

The poll showed that 49% of Russians had not changed their attitude toward President Boris Yeltsin over the past month.

27% of those polled said they had grown disappointed in the leader of their choice.

8% said their attitude to Yeltsin had changed for the better, and 7% failed to express any opinion.

The same poll reveled that 48% of the respondents were against the Russian government's immeditate resignation. However, 28% said they believed it was about time the government left the political arena. One in every four made no comment.

The statistical error margin was set at plus/minus 1.5%.

Economic Affairs

Yeltsin Addresses 'Expanded' Government Session

Discusses Reform, Privatization

LD2301215592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1825 GMT 23 Jan 92

[Video report by unidentified correspondent on Russian President Boris Yeltsin's address at the Kremlin on 22 January including recorded excerpts from Yeltsin's address; from the unscheduled "Meeting of the Russian Government" program]

[Text] [Correspondent] For the first time the government meeting took place in the Kremlin today in an expanded composition, with the heads of administration of all krays and oblasts of Russia taking part. Three questions were on the agenda:

—the acceleration of privatization;
—the reorganization of trade;
—the supply of bread products.

But, in fact, both President Yeltsin and the government members, in their addresses, touched on a wider range of problems which are today worrying both Russia and the Commonwealth countries.

[Yeltsin] We have worked for 20 days under reform conditions. Of course, that is not a long time. Nevertheless, some conclusions can already be drawn, the more so as virtually all members of the Russian Federation have visited the regions and we have fairly recent information from the regions, where, of course, it is becoming clear that the reform is proceeding with certain distortions. In some oblasts, krays, and republics it is going more or less as was envisaged. Of course it is difficult, it is tough, and it is difficult above all for the poorest strata of the population: students, pupils, children, mothers with children, pensioners, the disabled, servicemen, and many others, indisputably, because here and there the administrative systems of trade have been preserved. The "torgs" have not been abolished which from the beginning, starting from the 2d, effectively dictated their prices from above. [passage omitted]

[Correspondent] The Russian president said that priority tasks included the need to restrict unjustified price increases by producers. Here Boris Yeltsin is inclined to use economic measures, in particular tax increases for offending enterprises. The president went on to talk about the recent introduction of the value added tax [VAT]. The incorrect application of this tax is also causing unjustified price increases.

[Yeltsin] First, order must be restored. Second, we have to bear in mind, of course, that the budget which we have drawn up for the first quarter has us teetering on the brink, literally, of an extremely grave situation. The Supreme Soviet will discuss it tomorrow. The budget has

without question been drawn up in the belief that a general reduction in 28 percent VAT is not possible. But we can give some thought to the food chain. Food—or the shortage or lack of it—is nowadays a huge political force. Therefore, we have to take a decision on this today. Unfortunately we have not secured the desired effect from the decree on the deregulation of foreign economic activities. We hoped that there would be fairly substantial intervention, in the form of shipments of food and goods to Russia from all the countries of the world, or at least from the Western countries. This intervention has not materialized.

[Correspondent] The Russian president also noted with regret that state organizations are still unable to make effective use of loans advanced by the industrially developed countries of the West. Continuing the food theme, Boris Yeltsin rejected allegations that the Russian Government is striving to disband collective and state farms and said such allegations were groundless.

[Yeltsin] I keep on saying that the reorganization of collective and state farms does not mean they are going to be disbanded. Nevertheless, for some reason, this question is a constant pretext for provocation, speculation, and suggestions that we have decided to disband all collective and state farms. I repeat over and over again that this is not so. If collective and state farms are in good condition and work to a profit, let them go on doing so. But we do have 2,600 loss-making farms. A decision has to be taken on their future during the first quarter. This land should be given to peasants or anyone else who wants to work the soil. There will be no further subsidies. Do not rely on this. This credit loophole must be plugged. People must stop thinking that if they take out loans, the Russian Government will automatically write them off later. No, we will not write off credits. Now there are free prices. I was in the countryside—on the whole they feel quite okay inasmuch as now prices have risen and they have the possibility of raising their profitability. There are oblasts—some oblasts, krays, and republics—which have not a single loss-making collective farm and state farm. Nevertheless, the reform is proceeding with difficulty. In Russia there are only 52,000 smallholders—smallholdings. In places there is simply some non-acceptance of smallholders, on the whole an outright non- acceptance. Either attitudes must be changed radically or some one else must be put in charge of this who is not allergic to this matter and would freely work on the transfer of land in a fairly efficient way to those who wish to till it, the more so as today already 14.5 million hectares of such land have been included in the reserve—this is a respectable figure—so far only one-third of these lands is being used.

[Correspondent] In his address President Yeltsin again drew the attention of government members and the heads of the organs of government in the regions to the problem of housing for servicemen, especially taking into account the previously planned army reduction and also the withdrawal of troops from a number of former Union republics.

[Yeltsin] I would like to ask both the leaders of the governments of the republics and the heads of administration to settle housing matters in the first half-year period of this year with the Army. However difficult this is, I ask you not to enter into conflict with the president, with the government of the Russian Federation on this matter.

[Correspondent] Listed among the immediate tasks in implementing the reform was the abolition in the next few days of trade trusts and associations which, according to the president, are the main obstacle to privatization in trade and also simplification of the procedure for privatization and the shortening of the period this will require. At the government meeting the corresponding documents were adopted. The Russian president also signed a decree on free trade which entitles enterprises and citizens on the territory of Russia to purchase and sell goods without special permissions. Custom duties on goods being imported into Russia have been abolished. Favorable conditions have been established for the sale of the property of trade and public catering state enterprises. Enterprises and citizens have been permitted to engaged in trade, including between private individuals, from hawker's stands and cars. Turning to the participants in the Kremlin meeting, Boris Yeltsin stressed:

[Yeltsin] I think that all of you understand sufficiently well the whole difficulty, importance, and responsibility of this moment inasmuch as Russia has not experienced such a time perhaps since the times of the Great Patriotic War. But we retain a certain optimism and, most importantly, I will say, I have seen for myself personally during my tour of five oblasts that, nevertheless, the confidence of the people, well, in its majority—let us put it like that—remains.

Criticizes Social Measures

LD2301163292 Moscow Programma Radio Odin Network in Russian 1200 GMT 23 Jan 92

[Report by unidentified correspondent on Russian Government session held in Moscow on 23 January, including recorded remarks by Russian President Boris Yeltsin made at the session]

[Excerpts] Russian President Boris Yeltsin spoke today at a session of the Russian Federation Government. [passage omitted]

Concerning the liberalization of prices, the Russian president said:

[Yeltsin] We have been working under reform conditions for 20 days. Of course, it is not a long time. Nevertheless, some conclusions can already be drawn. In some oblasts, krays, and republics, it is going more or less as envisaged. Of course it is difficult, it is tough, above all, it is difficult for the poorest strata of the population—students, pupils, children, mothers with children, pensioners, the disabled, servicemen, and many others. Indisputably,

this is because here and there the administrative systems of trade have been preserved. The trade organizations [TORGS] have not been abolished, which from the beginning—starting from 2 January—effectively dictated their prices at the highest level—not market prices, but going about it as if to say: Let us see what happens if we set prices for meat and butter in excess of 200 rubles, and [passage indistinct due to break in transmission] for 10 eggs in order not to lose out. This is of course impermissible. This is not the market.

There are of course other problems. Unfortunately, we have fallen behind in social protection—the prior social protection—especially with regard to those with low incomes, pensioners, and other categories. We have fallen behind through the fault of the Russian Federation Government, which did not supply people with cash in time. Most of the problems have undoubtedly increased because of the rise in prices. Again, here and there people very quickly reoriented themselves and changed to non-cash settlements, and practically all goods of more or less high value were sold using checks and non-cash settlements. This is why there has not been a need to add greatly to the amount of money in circulation.

In most places, however, this type of settlement has not been used, which is why there has been a shortage of cash. What we regarded as prior measures—by passing on 1 December special increases in the minimum wage, minimum pension, and social assistance to students and disabled, mothers with children, and so on—has not worked in practice. This is because these wages were not received in December. People only started to receive them in January, when prices had already soared, and the increase was not taking the form of a curve as we hoped, and as happened in civilized countries everywhere when they changed to the market. In our country it literally went vertically upward right from 2 January.

Then, it is true, a process of levelling off began, first of prices across the regions; second, somewhat of a reduction, because in many cases this increase was not justified as the trade organizations exceeded the profit margin by 200 or 300 percent, and even 400 percent. This is impermissible. Today, we would like to consult you, taking into account the decision of the Commonwealth Council of the Heads of States on limiting the profit margin to 50 percent. This would help immediately to somehow reduce prices to 50 percent, starting with raw materials, and down the whole chain leading to the final product.

One could take the second road—perhaps a more civilized one, less prohibitive, more market-like—by reducing it to 50 percent by means of today's taxes. At the same time, if the level of profit margin exceeds 50 percent, taxes will sharply rise, so that there is no incentive to boost this profit margin to hundreds of percent.

[Announcer] Boris Nikolayevich Yeltsin also raised the questions of privatization, liberalization of foreign economic activity, and problems of pricing. He stressed the need to resolve the military problem. His speech also raised agrarian questions and questions connected with the activity of the heads of administration in the localities.

Further Comments; Gaydar Cited

LD2401111192 Moscow Russian Television Network in Russian 2027 GMT 23 Jan 92

[Report on Russian Government session in Moscow on 23 January by unidentified announcer; all remarks by Yeltsin and Gaydar recorded; from the "Vesti" newscast]

[Text] [Announcer] Much is being said about privatization today, but the process is running perceptibly behind the liberalization of prices. The trip to the Russian provinces convinced our leaders once again that trade remains under pressure from the old structures—the trade organizations and trusts. They stand between buyer and seller, putting a brake on the development of the free market. Nor is November's presidential decree on trade being implemented either. All these questions were on the agenda for today's session of the Russian Government, and they were discussed quite robustly. There was another matter, which has emerged to try the new government: interruptions in the supply of bread.

[Gaydar] Privatization and freedom of trade are the main thrusts of our structural breakthrough today. It is what we have to set in motion to ensure that the first results of the preconditions that have been created for the functioning of various mechanisms are finally brought to enterprises and to people, so that the market begins to operate. There are very many things here. It cannot be tackled from the top. It cannot all be done from Moscow. The general stimuli, guidelines and normative acts can be given in Moscow.

But all the subsequent work needs to be done in Russia as a whole. That is why we wanted to discuss this jointly with the heads of administrations and the chairmen of the councils of ministers of the autonomous administrative entities. Bread is today the most acute social emergency. The problem has been posed for us by the procurement failures that have occurred, the inflation crisis, and our creditors' lack of trust in our solvency. I think that if we manage to keep the bread situation in hand, I think that we we shall maintain social stability. That is what we need most of all for the success and stability of our reforms. So these issues are extremely closely linked.

[Moscow Russian Television Network in Russian at 1700 GMT on 23 January 1992 in a similar report adds the following recorded Gaydar commment: "As long ago as last November, a presidential decree envisaged freeing shops from the guardianship of trade trusts and associations. However, this decree is not being implemented. Personal responsibility for the progress of privatization

has been laid on heads on local administrations by today's resolution of the Russian Government."]

[Announcer] The Russian Government is pursuing reforms in a situation in which the fall in people's living standards and their disaffection could shake the resolution of any politician. That is why, in his description of the situation in the republic, Boris Yeltsin spoke of two things: the need for accelerated privatization and maximum concern for the population's daily needs for food supplies.

[Yeltsin] I would like to draw your attention to the situation in Penza Oblast. It was said here that the soviets are former oblast party committees and they impede work. Why then Penza Oblast, which since time immemorial was a particularly Bolshevik Oblast—nevertheless, they have managed drastically to alter the situation and nevertheless the situation is good there. All the same, they have all found the courage to change cadres there accordingly and have chosen those who are hardworking and the situation there is very different from many other oblasts and krays.

[Announcer] The president kept stressing that the heads of local administrations are today having the broadest rights delegated to them as far as the pursuit of reforms is concerned, and they must become not just executors but creators of the new economic policy of their own regions.

[Yeltsin] As far as land is concerned, we have failed to do enough work with the government in some senses as far as privatization is concerned, Yegor Timurovich [Gaydar]. Now that we are having our meeting, let us resolve the problems that are arising. It would perhaps mean leaving minor matters on one side, but let us deal with the normative ones—the things preventing this work to privatize the land and to reform the land at full steam, so to speak, from being mounted locally. I realize that we do not as yet have a law on buying and selling. But a relevant decree was signed. So the right does exist in some form. The Supreme Soviet did not protest within seven days. Since it did not, it means that the decree is in force. Bear that in mind. They did not do it in time.

With regard to the sale of 40 percent of agricultural produce at market prices. Russia is too big and too varied to be standardized. This was a mistake from the old structures and we sometimes repeat these mistakes. This must be said in self-criticism. We must have varying approaches to the oblasts in the north which do not have any agriculture at all and the oblasts in the south which are suppliers of agricultural produce. But we must supply both with 40 percent and then where is this 40 percent to be taken? We transport more than 40 percent, especially to northern oblasts. So, let us have a differentiated approach. That is what we decided in 1991.

Debts: Yegor Timurovich [Gaydar], please intervene here. I am referring to debts on last year's credits. For this year we have had our say and we shall not go back on our word. That is it. Put an end to non-profitable farms; it is now up to you how is to be done. Declare them bankrupt and sell the land. As far as concerns last year's debts we must say this.

On limiting the level of profitability. I feel that everyone agrees that although this is not completely a market measure, but some sort of temporary measure, it must evidently be introduced. Because really at times profits will go as far as 200, 300, 400, and so on percent and this will not do. I understand that the chief reformer, Yegor Timurovich Gaydar, is undoubtedly suffering on this account. So let us do it this way. Let us introduce a progressive tax on anyone with over 50 percent. That is all. Then this is a market measure.

On the subject of value-added tax. I understand all those who ask, demand, insist and say that this is a great calamity and that value-added tax must be removed from food products. You must understand that to go in for reform with a budget deficit is simply being adventurist. We managed to come up with a budget for the first quarter almost without a deficit for Russia as a whole.

We are not talking about the whole year—we are talking about a month or, maybe two at the most. Let us do things in this way: as for hospitals, schools, kindergartens, vocational and technical schools, higher educational establishments, I do understand that it is difficult to arrive at a figure here, but let us set a percentage of the general amount of foodstuffs, a percentage on which this value-added tax would not be payable. This norm must be defined.

[Announcer] The president's final remarks sounded like a set of guidelines for the heads of local administrative bodies prior to their departure for various regions of Russia to implement the reformist mission they have been charged with.

[Yeltsin] As for power, I do not know, I have nothing to add to what I have already said. Those who wish to take power, do so. Those who do not wish to do so, look for reasons, that is the only way I can put it. Why is it that in some oblasts, you have one kind of situation, whereas in other oblasts the situation is different? Take power. I have not yet heard any complaints from the Russian procurator to the effect that some person has exceeded his remit—not a single complaint. But he would have complained, because you are protected by a presidential decree.

[Announcer] Today's sitting of the government of Russia adopted a decision on accelerating the implementation of the program of privatization for 1992. Temporary provisions concerning the procedure of privatization have also been adopted. They will significantly simplify this procedure and reduce the time it takes. Moreover, workforces get certain privileges when acquiring an enterprise, while from now on individual responsibility for the course of privatization is vested with the heads of

administrations of krays, oblasts, okrugs, and towns. The president himself came out rather sharply against sales by auction.

[Yeltsin] The auction method of privatization, of selling—I think we have allowed a mistake to slip through here, a mistake. With these auctions, we will indeed sell everything to the mafia and to the representatives of other republics, especially the southern ones, ones that have money. Therefore, do not insist, let things be tackled locally. They know better where to hold an auction, where not to hold one and instead to sell to someone for a specific, long-term purpose, let them resolve these things. There is a long line now to buy restaurants—all of it south of our southern border. Moreover, purchases are concluded completely irrespective of the sums of money involved.

[Announcer] Finally, the last issue on the agenda. We ask L. Cheshinskiy, chairman of the Bread Products Committee, if we will have bread.

[Cheshinskiy] The situation is, indeed, very complex, but it is far from hopeless. Despite everything, today we succeeded in getting additional resources allocated, mainly energy resources, for which we bought what I would describe as sufficient amount of grain. Now it will all be up to the transport workers alone. If they manage to guarantee us certain deadlines, if port workers help us unload and railroad workers help us deliver it to where it is going to be processed, then I think we will simply have a guaranteed and stable supply of these products.

Proceedings Outlined

OW2301173492 Moscow INTERFAX in English 1637 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] On Thursday [23 January] Russian President Boris Yeltsin presided over a Russian government sitting with the participation of the cabinet members, i.e., chairpeople of the councils of ministers of Russia's member republics and other local government chiefs. The sitting covered the situation in the republic, the progress of the reforms and the first results of price liberalization, the forms and methods of privatization and the problems of food supplies, in particular grain supplies.

The sitting passed a number of rulings, including "On Speeding Up The Privatization Program for 1992" which places the privatization efforts under personal responsibility of chiefs of local governments. The sitting also adopted an "Interim Provision Concerning the Procedure of Submitting, Formalizing And Consideration of an Application for the Privatization of a State-Owned or Municipal Enterprise," which streamlines and shortens the procedure.

Due to the inadequate work of local governments to implement the presidential decree as of November 25, 1991, "On The Commercialization of Operation of RSFSR Trade Enterprises", it was decided to scrap, as soon as possible, all kinds of trade administration establishments The government laid down measures to set up the stage for autonomous financial and economic activities of retail trade and catering outlets and to aid the establishment of commercial structures to purchase consumer goods.

On the basis of the discussion, the Russian president issued a decree "On Free Trade" which gives enterprises, organizations and individuals to buy and sell on the republican territory without special permits, except for the goods the selling of which is prohibited by law. Customs dues are repealed on the goods citizens ship or send into the Russian Federation. Conditions have been softened for the sale of the property of trading and catering outlets to work collectives (which are juridical persons) and individuals.

At a press-conference after the sitting, first premier deputy Gennadiy Burbulis said that Russia is facing major difficulties with supplying the population with bread.

"We are buying grain frantically, and we are experiencing difficulties with the payment for shipment, unloading, etc."

One of the biggest problems is how to persuade peasants to sell grain as peasants are hoarding grain because they are suspicious of the ruble. This problem was described as extremely urgent at today's sitting, emphasized Burbulis.

He said also that Russia plans to import 9.7 mn. [million] tons [as received] of grain in this quarter, and today the state reserve stands at 22.5 mn. tons. The first vice-premier also said that bread consumption rose sharply during the last 10 days despite predictions.

Addressing recommendations by a number of economic councillors that Russia should introduce own money, Burbulis said that they are "of a pragmatic nature and are not tied to the political and psychological situation." "We do not plan to introduce Russia's own money and we will not, unless we are forced to," emphasized Burbulis. He also added that the government's relations with the Central Bank have markedly improved of late.

Burbulis Cited on 'Dwindling Bread Supplies'

LD2301192892 Moscow TASS in English 1644 GMT 23 Jan 92

[By TASS correspondent Ivan Ivanov]

[Text] Moscow January 23 TASS—Dwindling bread supplies is the most important and difficult problem facing the Russian Government, First Deputy Prime Minister Gennadiy Burbulis told reporters today.

The government is anxious to buy grain abroad, but faces difficulties in paying for freight charges and getting Western credits, Burbulis said after a meeting of the Cabinet.

"The government has decided to allocate all available hard currency for grain purchases," he said.

Russia now has 22.5 million tonnes of grain in stock and is expected to import 9.7 million tonnes in the first quarter of the year.

Russian farmers, wary of the tumbling rouble, are still unwilling to sell their grain to the state, Burbulis complained.

Asked if his government planned to introduce a Russian currency, he said it will do so only under extreme pressure.

Burbulis confirmed that Russian President Boris Yeltsin has appointed Russian envoy to the United Nations as his adviser on foreign policy issues. This however does not mean that Vorontsov will be called off from the United Nations. "He can combine both posts," Burbulis said.

The cabinet met to discuss draft measures for an early privatisation in the country. In the next few days Boris Yeltsin will sign a government resolution to speed up privatisation in Russia in 1992.

Economic Figures for 1991 Show Downward Trend

LD2401111592 Moscow TASS International Service in Russian 0940 GMT 24 Jan 92

[By TASS correspondent Igor Agabekov]

[Text] Moscow, 24 Jan (TASS)—Every 20th farm in Russia produced almost nothing last year compared with the year before. This conclusion emerges from a report by the Russian State Statistics Committee on the results of the last agricultural season.

The report notes that the overall volume of output by the agro- industrial complex, including gross agricultural production, was down by 5 percent in 1990, and lower than the average for the last 5 years. The harvest of cereal crops (by weight, after processing) was 89.1 million tonnes, which is 15 percent down on the average level for the preceding 5 years, and 24 percent lower than the volume in 1990. State purchases of grain came to 22.5 million tonnes last year, which is 34 percent lower than in 1990, and the lowest amount in the last 25 years.

The accumulation of state food resources in other crops also proceeded with great difficulties last season. The figures for state purchases were 1.7 million tonnes for sunflower seed, 25 percent down on 1990; 4.7 million tonnes for potatoes (6 percent lower); and 4.4 million tonnes for vegetables (28 percent lower). The volume of deliveries of oilseed to the state in 1991 was the lowest in the last 6 years, and the figures for potatoes and vegetables were the lowest in 18 years.

Equally, there was no success in stabilizing the Russian Federation's economy and its finances last year. Gross domestic product declined by 9 percent. Over 750,000 apartments were built from all sources of financing, 22 percent fewer than in 1990. There is no fall in the number of people needing improvements in their housing conditions: at the start of this year, the figure was over 10 million. In other words, nearly 20 percent of the population are waiting for new apartments.

The crisis in the economy manifested itself primarily in the consumer market. Output of the majority of consumer goods was down by 2 percent to 6 percent and more, and food production was 9 percent lower. There was a significant fall in the standard of living of virtually all sections of the population. Whereas the minimum consumer basket for a family of four was 310 rubles [R] per head from April to June, it might reach R1,300 to R1,500 by the beginning of February this year, according to provisional estimates.

The Russian State Statistics Committee noted that the "peak" of payments on the foreign debt came last year, and that this is something which has significantly complicated the situation in foreign trade.

Deputy Minister Forecasts Economic Development

PM2301161392 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Jan 92 p 1

[RIA report: "Deputy Minister's Forecast"]

[Text] In some regions of Russia meat prices have increased 16-21 times over and butter prices 10-24 times over. These data were cited by Andrey Shapovalyants, Russian Federation deputy economics minister, speaking in the parliamentary debate on the Russian president's budget message on the first quarter of 1992, which has begun in the Russian Federation Supreme Soviet.

Forecasting Russian economic development in 1992, Andrey Shapovalyants announced that he expects a 10 percent reduction in consumer goods production, a 15-20 percent reduction in the volume of services for the population, and an 11-12 percent reduction in GNP. The main difficulties will occur in the first quarter of 1992, before the market feedback mechanism starts to operate. According to the government's forecast, production will decline most in the food and chemical sectors, since they have the closest links with suppliers from the CIS [Commonwealth of Independent States] and from abroad. According to the most optimistic assessment, unemployment will affect around 6 million people in 1992, with the labor market at its most difficult in Moscow, St. Petersburg, Kemerovo, Krasnoyarsk, Chelyabinsk, and in raw material areas of the Far North. However, if the market mechanisms fail to function, Shapovalyants said,

production will fall by 30 percent and 15-20 million of the 86.3 million working Russians will become unemployed.

Professor Interviewed on Economic Plight

PM2201101592 Moscow SOVETSKAYA ROSSIYA in Russian 16 Jan 92 p 2

[Interview with Professor A.A. Deryabin, doctor of economic sciences and head of the Sector of Pricing Theory and Methodology at the Russian Academy of Sciences Economics Institute, by N. Starilov under the "Polemical Dialogue" rubric; place and date not given: "This Is Not Adam Smith's Day"]

[Text] Today our observer talks with Professor A.A. Deryabin, doctor of economic sciences and head of the Sector of Pricing Theory and Methodology at the Russian Academy of Sciences Economics Institute—and, in the opinion of independent experts, the major specialist on prices in the country—about the problem that is worrying everyone without exception.

[Starilov] Anatoliy Aleksandrovich, can you give us your opinion of the price situation in the wake of 2 January?

[Deryabin] I believe that the legislative formalization of price liberalization is somewhat belated, since this process started much earlier. After all, of late we have been buying very few goods at state prices—bread, salt, sugar with coupons, and some people have managed to obtain milk. We have been buying everything else at unimaginable, i.e. essentially at free prices. Therefore I was not expecting the notorious "explosion of indignation." Whereas you couldn't buy cheese at any price, now there is cheese. At a crazy price, of course, which is quite breathtaking. But what difference does it make to me whether I am unable to buy it at a very high price or unable to buy it at ostensibly a very low price?

[Starilov] I'm sorry, I cannot agree with you. It is one thing when there are no goods for anyone, but it is an entirely different matter when the goods do exist, they are lying there in plain view at enormous prices beyond most people's reach, but some people are buying them nonetheless. We have gotten used to saying yes, many people pilfer things in trade, and indeed we now take a calm view of this. But now it turns out that, in addition to those who pilfer in this area, some rich people have sprung up as well. They used to do their swindling in back rooms somewhere, we didn't see any of it, but are they now going to come openly and take what I cannot afford from right under my nose?

[Deryabin] Part of the reason why there was a delay in the introduction of liberalization was that people were indeed thieving on a large scale—goods coming in at state prices went not to the state trading network, but to the commercial network at commercial, i.e. free, prices. The main question now is whether the government can curb inflation—only if this happens will price liberalization bring any benefit.

[Starilov] But can the government do this?

[Deryabin] B. Yeltsin adopted a whole series of resolutions, excellent ones, at the same time as he liberalized prices. For example, on the liberalization of foreign trade. Even this one measure, if really implemented, could introduce at least some element of competition.

[Starilov] You have, of course, read the list of goods that can be exported only with a license—the list includes practically everything...

[Deryabin] A basically correct decision has been adopted, but then implementation begins—who will execute it? The executants come from the former structures, for decades they sat either on the Central Committee or in ministries and departments, that is, they are people whose mentality is absolutely unsuited to the present-day situation. Who, for example, is in charge of prices in the Russian Federation? A certain Zverkhovskiy, who for many years was a Central Committee inspector on Staraya Square. I have read recent articles by him, he is thinking in the old terms, but now with a "democratic" bias—if there is to be state intervention, this means the state must set prices. And that is all: Either prices are free or they are set by the state. Despite the fact that there are plenty of ways of gently and unobtrusively influencing prices by means of taxes, subsidies, grants, subventions, and incentives for producers, and, conversely, by putting pressure on producers; after all, it is also necessary to put pressure on our monopolist! I think this task should be tackled by a presidential committee made up of representatives of commercial structures that will keep an eye on each other, and this would be a better way of controlling prices than having some state official do it.

[Starilov] But won't the upshot be that, despite these extremely correct resolutions—to be honest with you, I remain unconvinced of that—no good will come of it all? Let's take an extremely simple example—literally yesterday I dropped by at a store where the cooked sausage they were selling at 42 rubles [R] had already been lying around for a long time and had gone moldy. And what I thought was: Absolutely nobody will buy this moldy sausage, which means it either has to be thrown away or sent back to the plant. Goods are going to waste. What is the plant to do? It is supposed to drop the price, because the store will no longer accept the item at that price. But can the plant do this if it is buying meat from a kolkhoz or sovkhoz at R30 per kg? It cannot physically drop the price of its end product, the sausage. So it appeals to the kolkhoz—lower the price of your meat. But how can they do this if they are buying equipment and fertilizers from plants that have also increased their prices because oil producers, miners, and so forth have raised their prices? And the chain is complete and turns into a vicious circle...

[Deryabin] Yes, this is exactly how things are. And price liberalization makes sense when the production of goods that are most scarce, i.e. the most profitable ones, starts

to expand. The aim of liberalization is not purely and simply to set prices free. The line of reasoning taken by those who made the decision to liberalize prices is as follows: If prices are set free, then the price of whatever is in shortest supply will be high, producers will immediately concentrate on this area, invest capital in it, production of goods will increase, and the price will fall. Where there is loss-making production of goods, output will decrease and the freed resources will be switched to areas where profitable goods are being manufactured. That is, they are reasoning in the same way as Adam Smith once reasoned when he spoke of the "invisible hand" of the market. But Galbraith, the modern economist whom I respect most (I believe him to be the most important economist of modern times) wrote in direct response to those who talk about the "invisible hand" of the market in Adam Smith's day (in our country this is primarily Pavel Bunich) that "these people are so mentally ill that their sickness is clinical." And he goes on: "To talk nowadays of the 'invisible hand' of the market and controlling the producer by means of prices is absurd." Especially in monopolized economy conditions. After all, our kolkhozes and sovkhozes are also monopolists, and the same goes for our fertilizer producers and trading network. We have to deal with monopolists everywhere, and in these conditions, of course, price liberalization will lead to a fall in production and not to expansion, that's the problem! Therefore I say that B. Yeltsin was right to have adopted simultaneously with liberalization a series of decrees containing a whole range of provisions combating and destroying this monopolism, but will this be implemented? You mentioned the list of goods, but at the moment it has not on the whole been fleshed out, so the executants will get to work. Executants like Zverkhovskiy, of course, will include all production on these lists, and that will be the end of the matter. Production will fall and there will be unemployment. We will start to increase—indeed, we have already started to increase—pay, pensions, and allowances. More money and fewer goods. And the inflationary spiral will begin to spin. At this point we may remember Lenin; not everything he wrote, incidentally, was bad: "Inflation is the worst form of indirect taxation, since inflation means that the rich get richer and the poor get poorer." We are seeing this now—the differentiation of the population is intensifying. A very small section is getting rich quickly and the rest are going to rack and ruin, they are becoming destitute. Statistics already show that they are withdrawing money from their small savings accounts in order to survive. This is what is happening. If steps are not taken to combat monopolism, if we do not act to curb inflation and interest commercial structures in the development of production, i.e. if we do not spur them on or help them—not by direct price regulation, which is impossible and inadvisable, but by gentle, flexible regulation, through encouragement and the attraction of foreign capital—nothing will work. There is no need to fear foreign capital.

[Starilov] It seems that we're not the ones who are afraid, they are.

[Deryabin] Of course they are afraid—they are taking account of our psychological state; you know yourself how rich people are regarded in our country...

[Starilov] Yes, and what's more I think certain memories are still fresh in their minds.

[Deryabin] Yes, that too could happen again. But nonetheless we must encourage and attract capital, including foreign capital.

[Starilov] How can we do this? After all, the commercial structures you mention are still not really producing anything, but they have already inflicted damage, a lot of damage.

[Deryabin] As a member of the Exchange Council of the Moscow Central Stock Exchange, I rub shoulders with people who are very rich by current notions—people with millions or tens of millions. They ask me: "Where can I invest my money?" They want to invest in business, practically every one of them wishes to start up some sort of production facility, and they are asking for advice. But what advice can I give them?

[Starilov] But don't you think there is perhaps a certain objective logic in their being unable to invest money in production? In production specifically, and not speculation?

[Deryabin] There is no objective logic about it. The point is that I cannot advise them to invest money in production because I cannot see what will be happening in a year or two.

[Starilov] But that is objective logic.

[Deryabin] It is not objective, it is subjective, because inflation might reduce the people to the point where we begin to rob and eat one another. So what kind of capital investment can there be?

[Starilov] But surely inflation is a by-product of our economy?

[Deryabin] No, inflation is not a product of the economy, it has been deliberately pumped up.

[Starilov] It is a product nonetheless.

[Deryabin] A product of incompetence. After all, when he was minister of finance V. Pavlov increased the money supply by 60 percent in three years, and when he became premier he let inflation skyrocket. He deliberately pumped up the money supply and destroyed our finances in whatever way he could. Of course, he was not alone...

[Starilov] OK, but what was his aim in pumping up the money supply?

[Deryabin] Well, what aim could there have been—to create the impression that he was doing something. After

all, he convinced everybody that if he raised prices the budget would add up. We hear the same story today—again our present leaders think that if they increase prices and taxes they will balance the budget without a deficit, but that cannot happen! When prices rise there is no way the balance can remain in the black.

The minister of finance ordered the chairman of Gosbank [State Bank] to print and issue R10 billion, and Gosbank went ahead and printed it because enterprises had nothing to pay wages with. But if Gosbank had been independent, if Minister of Finance Pavlov had been unable to put pressure on Gerashchenko, we would not have printed these R10 billion in 1989.

[Starilov] Incidentally, apropos the 10 billion—this is precisely the sum that the state forked out to set up the commercial banks. I don't think cash was brought in by the truckload when these banks opened, but they have issued enormous cash sums, so, once again, if you have made the decision to set up commercial banks, there is nothing else for it but to print money. A political decision was made by the country's leadership, and the printing press had to roll as a logical consequence of this.

[Deryabin] These decisions should not have been made!

[Starilov] In that case the organization of which you are a board member would not exist today.

[Deryabin] You know, if we had followed an evolutionary path, not today, perhaps, but in two, three, or five years' time, this organization would have appeared nonetheless, only in completely different conditions.

[Starilov] It is hard to believe that we could do something in an evolutionary way in our country; it is more likely that we would quietly suffocate things using the "evolutionary method."

[Deryabin] I have always said that the economy must not be treated like a machine. The economy is a living organism. You cannot pull it apart and then, like a motor, reassemble it, replace a cog, and set off again. To change one organism into another, you have to act on the cellular or molecular level. If you want to make a reasonable man out of King Kong, if you want to see this powerful and healthy cudgel-wielding ape lose its fur and acquire noble features, you must not kill the ape. If you kill it you won't get anything. But we have killed it. Gorbachev, Ryzhkov, and all the rest of them adopted precisely this approach, you know. Let's smash everything, let's pull it all down. So much for the "architects of perestroyka"!

It seems to me that the Chinese are acting more reasonably. I have been to China and seen for myself. The course of reform there is such that the people are optimistic. I sensed this and saw a people who are still living in great poverty but who are fed, clothed, and clean. They are a joyful people, because life is getting better every year. Things were like this in our country in the fifties. We too lived in expectation of spring.

[Starilov] But, you know, this is a direct consequence of China's development within a strictly centralized and planned economy where they slightly loosed the reins 10 years ago, but now, incidentally, they are tightening them again. And the question arises: Should we have done all this at all and should we press on?

[Deryabin] Of course we should, because we are at a different level. The fact is that, if we had implemented perestroyka using different methods, if we had acted otherwise, "intelligently," so to speak, the result would have been different.

[Starilov] But could "intelligent" people get "to the top" if the system was rotten? The best people clearly did not get to the top.

[Deryabin] Indeed, the system was such that an honest man could make no headway.

[Starilov] And with each new generation of the ruling class, this system carried out "natural selection."

[Deryabin] Yes, there is even a mathematical theory demonstrating how a clique results from an elite stratum. But even in this situation things could nevertheless be done more decently. I do not know how much money we could have obtained for pulling out of Afghanistan and East Europe, how much the world would have paid us, whether it would gladly have paid us to become not a frightening force but a force of good, to change from an "evil empire" into at least a neutral empire or an empire of lesser evil. The world would gladly have paid us to do this. But when we abandoned everything and fled, when 800 of our installations and pieces of property were left in Hungary, and now the military dreams that a mere five (!) of these installations will be recognized as ours, when the Poles are billing us for the air our soldiers breathed and are demanding money from us in payment, must it come to this! Who on earth allowed this to happen? Surely this is the leaders' fault?

[Starilov] Anatoliy Aleksandrovich, what is your forecast of the development of events in the coming months?

[Deryabin] Any forecasts are just forecasts, we hear them every day, but if decisive measures are not taken to rein in inflation or to combat monopolism, or if these measures remain only on paper, then a fifteenfold price increase and a social explosion are extremely likely in six months' time.

External Economic Relations Performance Viewed

OW2301224092 Moscow INTERFAX in English 1920 GMT 23 Jan 92

[From the "Trade & Investment" feature; transmitted via KYODO]

[Text] Russia's eternal economic links were adversely affected in 1991 by a deepening economic crisis, shrinking production, disintegration of the market for foodstuffs, surging inflation, and the break-up of the country's centralised resource allocation system.

Economist Alexander KURKIN takes a look at Russia's performance last year in the area of external economic relations.

HOPES PINNED ON BARTER AND DOLLAR. The country's economic crisis has led enterprises to resort to direct exchange of commodities in order to solve their problems both in the domestic and external markets.

The ever wider use of hard currency for payments within the country has resulted in further disruptions of economic links and a desire to earn foreign exchange through any expedient (e.g. carriage, including transit carriage, and transshipment of export and import cargoes, provision of services to those participating in eternal economic activities, sale of resources within the country for foreign exchange, etc.)

A limited supply of hard currency in the domestic market has led to a sharp fall in the ruble's exchange rate at currency auctions. Attempts by the government to boost foreign exchange revenues through heavier taxes only served to decrease the economic viability of exports.

RISING FOREIGN DEBT. The fall in foreign exchange earnings caused by shrinking exports has forced the government to look for new credits to meet the country's increasing import needs, primarily for foodstuffs and medicines.

Due to rising foreign trade deficit, the Soviet Union's external debt has soared, doubling over the last five years to reach by January 1, 1992, an estimated $80 bn [billion] in hard currency alone, with an additional 17.3 bn convertible roubles [Rb] owed to former socialist countries and Rb2.7 bn owed under clearing and barter deals.

Russia's external economic links have suffered most from these developments: although it accounted for over 70 of the country's exports in 1991, its share of Soviet imports is estimated by experts to have been only about 50%.

Conditions on world markets have generally also been unfavourable, with prices of the commodities chiefly exported by the Soviet Union falling due to a slump in business activity, and the prices of Soviet imports unchanged or going up.

DEVELOPMENT OF RUSSIA'S EXTERNAL ECONOMIC LINKS (billions of rubles at official exchange rate)

	1989		1990		1991 (est.)	
	USSR	Russia	USSR	Russia	USSR	Russia
EXPORTS	68.7	53.3	60.8	46.0	39.0	31.2
Share of Russia (%)	77.6		75.7		80.0	
IMPORTS	72.1	50.7	70.7	40.4	40.4	20.3
Share of Russia (%)	70.3		57.2		50.2	
BALANCE	-3.4	+2.6	-9.9	+5.6	-1.4	+10.9

A shortage of foreign exchange in the joint union and republican currency fund has made it impossible to carry out existing plans for large-scale imports and maintain already achieved levels of supplying the domestic market with goods, primarily foodstuffs. Last year's sharply reduced imports of machinery and equipment have resulted in a need to negotiate more loans. However, attempts to resolve current problems without consideration of the long-term effects of the remedies made Vneshekonombank begin to experience difficulties with growing debt repayments in mid-1990, and last year's autumn brought the danger of the bank becoming insolvent.

REPAYING USSR'S FOREIGN DEBT IS VITAL. At the initiative of the Russian Federation, the heads of foreign trade agencies of all 15 ex-Soviet republics held meetings last summer and autumn, where they agreed that the shares of the Soviet Union's external debt to be repaid by individual republics would be determined on the basis of four key criteria, namely, their shares in Soviet exports, imports, national income, and population in 1986-1990.

An ad hoc group, which was formed at the meetings, arrived at an agreement on the key provisions of an inter-state treaty designed to settle this problem. December 4 witnessed the signing of the agreement on the legitimate succession to the USSR's external debt and assets by representatives of Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, the Ukraine, as well as of the USSR as the predecessor-state. Readiness to sign the agreement was expressed by Moldova and Turkmenia. Russia's share of the total amount of indebtedness and assets was set at 61.34%.

INCREASED EXPORTS IN 1992 COULD NOT BE ACHIEVED. Forecast estimates of the export levels of key currency-earning goods for 1992 indicate that it will be impossible to achieve a substantial increase in their volume if the present economic system is preserved intact. At best, it can be hoped that exports of these products will remain at last year's levels, which would fall well short of even minimum import requirements.

Russia's government has drawn up a number of regulatory documents which introduce substantial changes to conditions of external economic activities in the areas of taxation, and tariff and non-tariff regulation. The procedure for forming the republic's foreign exchange fund has been defined, restrictions on intermediation activities have been lifted, and the system of registration of participants in external economic activities has been scrapped.

One way to substantially increase Russian exports would be to rationalise interrepublican exchanges of goods and smooth out price distortions. Experts estimate that

because of differences between domestic wholesale prices and world prices, Russia has been losing over Rb30 bn a year. Greater regularity of flows of goods would result from the introduction of licences for and export tariffs on certain products taken out of the Russian Federation.

There are plans to accord preferential treatment to foreign investors to induce them to commit funds in Russia.

Russia's government has decided to abandon the practice of giving trade and economic preferences to partners for political reasons. Now that Russia enjoys independence in formulating its external economic policies, there are hopes that it will husband its export resources and use them to greater effect.

The government will also have to regulate the activities of Russian exporters who engage in unfair competition which results in lower prices of export goods.

Mishandling of Economic Reform Considered

PM2001132392 Moscow PRAVDA in Russian 16 Jan 92 p 1

[Yuriy Glukhov "Our Commentary": "One Shock After Another"]

[Text] It seems that the latest events are cooling off—I mean the firefight in Russia's top echelons, the annihilating criticism of government reforms, a sort of verbal mini-Tbilisi. Russia's president drawn the fire of criticism upon himself by coming out in defense of the cabinet's actions. But the shock of what people have seen and heard remains. Another shock after the shock therapy.

The negative reaction of the broad strata of the population to the government program is understandable. You can hardly expect applause from people who have received shrunken purses as a New Year gift. However, what is surprising is that the salvoes of criticism are coming from the ranks of those, who, you might think, simply could not have stood aside from the elaboration of this policy, salvoes, which moreover have been fired from the biggest caliber guns. How many times was it impressed on us that the adopted program of economic reforms is our sole salvation, that there is no other option. It was on the basis of this program that the new government was formed. The Russian parliament also gave its vote of confidence to these reforms.

Now, suddenly, a host of tortuous questions has arisen.

First, if the government really drew up sensible plans, and if it really consists of sensible people, why not give them a chance to show what they can do, rather than instantly slitting their throats. Let us recall that at one time the Russian leadership was boldly proposing a 500-day marathon, yet now it seems to have run out of puff within the first 10 meters.

Second, if this is a government of suicidal characters, where were all the ranking critics before, and why did they permit the country and the people to be drawn into yet another suicidal experiment?

And third, what kind of government team is this if it cannot play as one team and is merely introducing even bigger confusion into society? Instead of consolidating all forces at a most difficult time in our history, total confusion is gaining ground. Was it not possible to reach consensus in the inner kitchen cabinet before presenting the recipes to the people, and ultimately accusing each other of incompetence and lack of professionalism and engaging in a political striptease?

And finally, was it really necessary to travel several hundred kilometers from Moscow in order to "find out what life is like," in order to be shocked and almost change one's views? Are the processes which are under way in the country not reflected in the Russian capital and the endless waiting lines? I am afraid that our leaders are falling under the spell of the uninspired official propaganda which perceives the intrigues of partyocrats' in the lack of sausage, and discerns neocommunists in the participants of the march of hungry waiting lines. Let's hope that the country's entire population does not end up under these labels.

I am not an economist, and it is not for me to judge the pros and cons of the economic reform which is being implemented. But judging by appearances, there is no need for this. It is now being written off even by politicians. Within the framework of the Union it was still possible to hope for success. Basically, the union republic leaders should have started with the economy. In that case, many of the problems which now confront us would never have arisen. On the contrary, economic ties would have helped to cement all the other relations. But the leaders chose the breakup of the Union, they chose political separation. The result is the disruption of existing ties between enterprises, economic, customs, and currency wars, and people's troubles and losses running into millions.

It is amazing that some of the methods used to restart the stalling engine of the economy and the state are by no means market-related or democratic. Just look how the old ignition system is sparking away, how the same old unceremonious hectoring obkom tone is thriving: "Remove, disperse, dismiss!" No explanation of reasons, no elementary investigation, no respect for citizens' rights. And all this in a state aspiring to civilization and law and order!

Meanwhile, among the host of shortages which have hit our state, another one is growing—the shortage of trust in the authorities, a shortage of honesty on their part. (Could this problem be resolved by Yeltsin's proposal to set up "committees of honest people"?)

Society's reaction to the present actions of the government would be less painful, if it had not been told just the opposite by our current leaders yesterday, if assurances

had not been given that living standards would not decline in the course of the reforms, although it had been obvious from the outset that in conditions of a fundamental breakup of economic structures this simply could not be avoided.

How many angry arrows were fired at N. Ryzhkov's government when it announced in advance that bread prices would go up, even though it had promised compensation beforehand. Let us recall how rightly the artifical demand whipped up by this measure was criticized. But when the current government created a similar situation in respect of all food products and goods, which were swept from store shelves down to the last one, it is being presented as being in the nature of things.

How sorry we all felt during the Pavlov reforms for the old women who were afraid of losing their last kopek set aside for their funeral. But at that time this was averted, it seems. Now all savings bank depositors have been robbed on the quiet. Their money has been devalued 5, 10, and 20-fold!

Yes, the country's economy is going through hard times. Yes, reforms are vitally important. Yes, we will have to tighten our belts and work, work, and work again. The paradox is that this should have been said before, instead of doling out empty promises during the struggle for power, instead of calling for strikes for the sake of satisfying political ambitions. After all, authorities are called upon to settle labor conflicts, rather than creating them. Now threats of resorting to strikes are ringing out from everywhere, and there are more grounds for them than there were before.

But despite everything, our people, judging by appearances, are wiser, more patient, and more tolerant than politicians. They are prepared to wait and to endure a bit more. However, there is no need to organize political games and to fool people with the search of yet another "scapegoat" in the shape of Yegor Gaydar alone. After all, it was not he alone who got us into this mess...

Majority Spend 'Lion's Share' of Income on Food

PM2301170192 Moscow ROSSIYSKAYA GAZETA in Russian 17 Jan 92 First Edition p 3

[Article by Igor Kharichev, member of the Democratic Russia Movement Coordination Council: "Call the Peddlers From Across the Ocean"]

[Text] We have been living with free prices for three weeks now. What has changed? Virtually nothing. Apart from the prices themselves, which continue to quietly amaze us.

The cost of food bears so little relation to wages that the overwhelming majority of Russians have begun to spend the lion's share of their family income on food. At the moment they are helped by the provisions they have laid in store and by their savings—generally modest and dwindling fast. But the situation will become even worse in four to six weeks' time. Pensioners will certainly not be the only ones in dire straits: People with children and dependents and those who receive a laughable wage by today's standards will also find themselves in an extremely difficult situation. If you allow for unavoidable expenses, such as rent, municipal services, power and telephone charges, and the use of city transport, it looks as if the overwhelming majority of the population will not have any money left to buy goods: clothing, footwear, radios, television sets, and furniture. The main concern of these people will be how to avoid starvation.

All wage restrictions have now been lifted in the Russian Federation. But even if a plant manufacturing television sets, for example, substantially reduces output prime cost (although it is unlikely that the money to introduce fundamentally new technology will now be found), it nevertheless risks being left on the rocks. Because it will be irrelevant whether a television set costs 6,000 rubles [R] or only R3,000 if people can barely make ends meet and are unable to feed their families properly. There is no point even thinking about earning hard currency. So the upshot will be that, instead of receiving a well deserved high wage, people working at these enterprises will probably find themselves claiming unemployment benefit, putting even more of a strain on the already overloaded budget. The chain of bankruptcies among enterprises manufacturing consumer goods will also affect the sphere of production which specializes in the manufacture of equipment and components, because demand for these will also fall sharply.

I repeat: The reason for this dramatic situation lies in the serious food shortages. These shortages, mainly in large industrial centers, mean that it is profitable to keep prices as high as possible, constantly raising them as wages increase: People will always buy, because they have to eat. We are not talking about videocassette recorders and computers, which people can live without. (It is interesting to note that, whereas the shortage of complex, high quality electronic equipment—video and audio equipment and computers—contributed to the fall in the ruble exchange rate against the dollar six months ago, now it is being directly affected by the shortage of foodstuffs.)

Nothing like this has happened in Poland, Hungary, or Czechoslovakia, where there have always been private producers and cooperatives in rural areas to provide a substantial proportion of agricultural produce. In Russia and the other independent states which have appeared on the territory of the former Soviet Union collective and state farms are disorganized, while private farmers and cooperatives have yet to find their feet. Moreover, mafia structures in the trade network deliberately fuel the shortages whenever the severity of the situation appears to be easing. The sale of vodka, for example, in Moscow and other large cities proves this. The mafia is trying to disrupt the supply of large food consignments delivered as part of the Western aid program. It is prepared to conceal food and even destroy it.

What can we do? Naturally, we must help Russia's private farmers to stand on their own feet and become a real buttress of our economy as soon as possible. We should offer economic incentives for the production of small-scale equipment, spend some of our hard currency on acquiring it abroad, give private farmers interest-free credit on preferential terms to buy equipment, seeds, and fertilizers, and in some cases provide the above free of charge. However, none of this will have an immediate effect or make life easier for millions of people in the coming months. Consequently, hard currency allocated to buy goods must be spent on food first and foremost. A large proportion of the credit given to Russia will also have to be used in this way.

In addition to this, we must attract foreign trade firms and trade centers to Russia by allowing them to use their proceeds in rubles to buy what interests them—mainly various kinds of raw materials. (Unfortunately, we will have to take this step in order to survive.) To overcome the mafia's diktat in the trade network, it is important to create conditions whereby firms themselves organize the sale of imported goods and foodstuffs at prices formed in competition with the local trade network. This is the only way we can overcome trade monopolies, which will probably persist even after privatization. Of course, we will have to provide Western firms with trade halls and warehouses and offer them preferential terms for approximately a year. Most favored status should be given to those who organize the food trade.

Bank Chairman Interviewed on Cash Shortage

PM2301134192 Moscow ROSSIYSKAYA GAZETA in Russian 22 Jan 92 First Edition p 6

[Interview with P.I. Zhikharev, president of the Russian Federation Joint Stock Commercial Savings Bank, by Dmitriy Slobodyanyuk, under the rubric "This Is What They Are Saying... But What Are Things Really Like?"; place, date not given; "Do Not Hide Your Money..."—first paragraph is introduction]

[Text] The tension is mounting outside the savings bank. People took one look at the latest price lists and rushed off to take their money out of their accounts. But not this time! Many branches of the savings bank simply have no cash. The waiting lines of people wanting to withdraw their money began to grow, as then did the lines of those wanting to pay money in. The editorial office telephones do not stop ringing. People are worried: Have their accounts been frozen and does all this not mean the beginning of a currency reform? Our correspondent Dmitriy Slobodyanyuk put these questions to P.I. Zhikharev, president of the Russian Federation Joint Stock Commercial Savings Bank.

[Zhikharev] I cannot tell you anything about the currency reform, I know no more than you. Burbulis claims that it is not going to be introduced in the near future. But in my view it has already begun. Officially the ruble has been reduced to one-tenth of its value. But a real currency reform can be carried out only in the event of ruble convertibility.

[Slobodyanyuk] It is being rumored that accounts have been frozen and account holders cannot get their own money out...

[Zhikharev] Of course there is a certain commotion connected with price liberalization. But it is manifested differently in Perm or in St. Petersburg. The situation at the savings bank is changing by the day. Just a few days ago, there really was a shortage of cash in Moscow and St. Petersburg. Now the rumors of a currency reform have caused people to get their "piggy banks" out and bring their money to us. So I do not think there will be any problems with people's wages next time—they will all get their due.

[Slobodyanyuk] No cash—is that normal at the savings bank?

[Zhikharev] In practice, yes. We have no ready cash in reserve. Everything that we receive from investors is passed on to the Russian Central Bank (formerly the State Bank). Indeed, it is stupid for us to keep this money. It must be made to work. But when there is a need for ready cash, only too often the Central Bank does not have any. After all, the savings bank covers the expenditure of the entire banking system—both state and commercial structures. The commercial banks, for example, take in billions which they do not return. I do not know where this money goes. That is a matter for the Central Bank. In the fourth quarter of last year alone, the savings bank covered a shortfall of 32 billion rubles. But if we had not done that, money circulation in the country would have already collapsed by now.

[Slobodyanyuk] What measures are being taken to protect accounts against inflation? Will we not be flooded with rubles after the introduction of coupons in Ukraine and Belarus?

[Zhikharev] We do not fear floods of cash from the republics, and measures have already been taken against noncash transfers. Ukraine was the first to stop honoring letters of credit and checks from Russian banks and accepting money transfers. We have had to do the same. As for protecting investments against inflation... There is simply no money to pay compensation. The government has made a decision to index-link accounts using the revenue of the savings bank itself. What this means in practice is that we have raised the interest rate 1.6 times so that it now varies from 3 percent to 15 percent, depending on the investment period. The real danger to money circulation, in my view, is the 5 percent freely convertible loan stock 1982. If people bring these stock bonds to the savings bank, we will not be able to find the 28 billion rubles to redeem them.

Decree on Delineation of State Property

925D0090A Moscow ROSSIYSKAYA GAZETA in Russian 11 Jan 92 p 5

["Decree of the Supreme Soviet of the Russian Federation: On the Delineation of State Property in the Russian Federation Into Federal Property, State Property of Republics Within the Russian Federation, Krays, Oblasts, the Autonomous Oblast, Autonomous Okrugs, the cities of Moscow and St. Petersburg, and Municipal Property"]

[Text] In fulfillment of the requirements of the RSFSR Laws "On Property in the RSFSR" and "On the Privatization of State and Municipal Enterprises in the RSFSR," with the aim of accelerating the processes of privatization, the Supreme Soviet of the Russian Federation decrees:

1. The entities and facilities of state property indicated in Appendix 1 to this resolution, regardless of on whose accounts they now appear or of the departmental subordination of enterprises, constitute federal property exclusively.

The facilities of state property indicated in Appendix 2 to this resolution, regardless of on whose accounts they appear or of the departmental subordination of enterprises, constitute federal property exclusively. Certain individual facilities among them may be transferred to the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg. Regardless of the transfer of these facilities to the assets of above-mentioned national-state, national-territorial, and administrative-territorial formations, their administrative directorship up until the moment of privatization is carried out by the Russian Federation government.

Types of ownership of land and its depths, water resources, forest reserves, and the plant and animal kingdoms are determined in accordance with legislative acts of the Russian Federation.

2. Entities and facilities of state property indicated in Appendix 3 to this resolution, regardless of on whose accounts they appear, are transferred into municipal assets of cities (except for rayon-subordinate cities) and rayons (except for rayons-in-cities).

3. Facilities of state property not indicated in Appendices 1-3 to this resolution, regardless of on whose accounts they appear or of the departmental subordination of enterprises, are transferred to the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg, based on the proposals of their Supreme Soviets and Soviets of People's Deputies.

Up until the moment of determination of the appropriate owner of the indicated facilities, they constitute federal property.

4. Facilities transferred to the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg, and into municipal assets of cities (except for rayon- subordinate cities) and rayons (except for rayons-in-cities), may be transferred, upon decision of their Supreme Soviets or Soviets of People's Deputies, into municipal assets of administrative-territorial formations within their composition.

5. Official registration of the transfer of entities and facilities indicated in Appendix 2 of this resolution to municipal assets is accomplished according to procedure established by the Russian Federation Government.

6. Transfer of entities and facilities indicated in Point 3 of this resolution into the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg, is accomplished by resolution of the Russian Federation Government. The government is obliged to make a final decision within three months of the date of registration of proposals of the Supreme Soviets or Soviets of People's Deputies of the indicated national-state, national-territorial, and administrative-territorial formations, with the Russian Federation State Committee for the Administration of State Property.

The decision on transfer to state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg, of enterprises which occupy a dominating position in the republic (Russian Federation) or local commodities (work or services) market, is made by the Russian Federation government upon coordination with the Russian Federation State Committee on Antimonopoly Policy and Support of New Economic Structures.

7. The transfer of facilities indicated in Point 4 of this resolution into municipal property is accomplished based on proposals of lower level Soviets of People's Deputies submitted by them to the appropriate committee for assets management. The highest level Soviet of People's Deputies is obliged to examine these proposals and make a final decision within two months of the date of their registration in the appropriate committee for assets management.

8. If upon expiration of the timeframes established in Points 6 and 7 of this decree decisions have not been adopted by the appropriate organs, the proposals of Supreme Soviets or Soviets of People's Deputies are considered to be approved. In this event, acceptance of the facilities as assets is officially registered by resolution of the Supreme Soviet or Soviet of People's Deputies which introduced the proposals.

9. The right of ownership by republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, cities, and rayons, of entities and facilities indicated in Points 3 and 4 of this decree emerges the moment a decision is adopted on the right of ownership in accordance with Points 6, 7, or 8 of this decree.

10. Supreme Soviets and Soviets of People's Deputies have the right to transfer, on a contractual basis, entities and facilities (except those indicated in Appendix 2 to this resolution) comprising the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg, and those comprising municipal property of cities and rayons, to the administrative management of ministries and departments of the Russian Federation.

Organs of state power and government of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and organs of local self-government participate in deciding issues concerning the regulation of activity of enterprises and facilities falling under federal ownership, in accordance with legislation of the Russian Federation.

11. The Russian Federation government, in accordance with the requirements of this resolution, will draw up and ratify prior to 1 January 1992 the Regulations on Determination of the Composition by Facility of Federal and Municipal Property and on Procedure for Drawing Up Rights of Ownership.

Development of the aforementioned regulations will proceed from the necessity to preserve the technological integrity of engineering, training, and treatment and prevention centers (systems), maintain their centralized management, secure the necessary specification requirements for organizing their safe operation, and not allow intrinsic facilities nonautonomous in their operational nature to be removed.

Proposals of Supreme Soviets and Soviets of People's Deputies on the transfer of facilities to state and municipal property of national-state, national-territorial, and administrative-territorial formations must be drawn up in accordance with the requirements of this decree.

12. The Russian Federation Government will develop and ratify, in the first quarter of 1992, regulations determining the procedure for participation of territorial organs of government in regulating the activity of enterprises and facilities under federal ownership, and that of central organs of state government in regulating the activity of enterprises and facilities transferred to the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, the cities of Moscow and St. Petersburg, and to municipal property.

13. Republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, cities, and rayons are obliged to fulfill, with regard to privatization of facilities transferred to their ownership in accordance with this decree, the requirements set down in the State Program for Privatization, and other acts of the Supreme Soviet and of the Russian Federation president. The Russian Federation Government establishes the procedure and timeframes for presentation, by the organs of state government (local administration) of the aforementioned national-state, national-territorial, and administrative-territorial formations, of reports on execution of these requirements.

14. In the event of failure, on the part of the organs of state power and government (local administration) of national-state, national-territorial, and administrative-territorial formations, to execute these requirements and special conditions of privatization established by the aforementioned normative acts with respect to specific facilities or groups of facilities, these facilities (with the exception of facilities regarding which a decision on privatization has entered into legal force) are subject to unconditional confiscation without compensation and transfer to federal property according to procedure established in accordance with Russian Federation legislation.

15. The authority to dispose of state property, delegated prior to 10 November 1991 to ministries, departments, and other entities, is no longer in force as of the moment of adoption of this decree.

The right of disposing of state property in Russian Federation territory belongs exclusively to:

the Russian Federation State Committee on Management of State Assets—with respect to federally owned facilities (upon coordination with ministries and departments of the Russian Federation);

committees on management of the property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg—with respect to facilities comprised within the state property of the aforementioned national-state, national-territorial, and administrative-territorial formations.

The Russian Federation State Committee on Management of State Assets has the right to delegate to ministries and departments of the Russian Federation the following powers with respect to enterprises falling under their jurisdiction:

concluding contracts with enterprise directors in accordance with Russian Federation legislation;

approving the charters of federally owned enterprises drawn up in accordance with the requirements of Russian Federation legislation.

Upon recommendation of the Russian Federation State Committee on Management of State Assets, ministries and departments of the Russian Federation provide their

conclusions on draft property lease contracts and draft charters for enterprises created with the use of federal property.

16. The procedure for delineation of state property established by this resolution does not apply to facilities previously transferred to the ownership of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, cities, and rayons according to procedure as set forth in the Russian Federation Law "On Additional Powers of Local Soviets of People's Deputies Under Conditions of Transition to Market Relations"; to facilities previously state owned which were appropriated through lawful procedure to ownership of citizens and corporate persons; or to the property of foreign states and international organizations.

This decree does not extend to objects of intellectual property or to entities and facilities previously established and maintained through USSR state budget funds which are located outside the territory of the Russian Federation, whose legal status is determined by other legislative acts of the Russian Federation and international agreements.

[Signed] R.I. Khasbulatov, chairman of the Russian Federation Supreme Soviet
House of Soviets, Moscow
Russia
27 December 1991
No. 3020-1

Appendix 1 to Decree of the Russian Federation Supreme Soviet No. 3020-1 dated 27 December 1991

Entities and Facilities Exclusively Within Federal Ownership

I. Entities Comprising the Basis of the Country's National Wealth

1. Resources of the continental shelf, territorial waters, and the maritime economic zone of the Russian Federation.

2. Protected or special-use natural entities (reserves, including biospheric, national natural parks, resorts, and game reserves which have general republic significance).

3. Entities of historical-cultural and natural legacy, artistic treasures, and institutions of culture of general Russian significance which are situated in Russian Federation territory.

II. Entities Necessary to Ensure the Functioning of Federal Organs of Power and Government and the Achievement of General Russian Goals

1. The state treasury of the Russian Federation (funds of the Russian Federation republic budget, the Russian Federation Pension Fund, social insurance fund, and other state off-budget funds of the Russian Federation, funds of the Central Bank of the Russian Federation; the gold reserve, diamond and currency reserves).

2. Assets of the Armed Forces, railroad, border, and internal troops, security organs, internal affairs organs of the Russian Federation, and other organs financed by the republic budget of the Russian Federation, as well as institutions located on Russian Federation territory financed by the USSR state budget.

3. Institutions of higher education, scientific-research institutions, enterprises and other facilities of the Russian Academy of Sciences, of branch academies of sciences, the Russian Federation Ministry of Education, Russian Federation Ministry of Science and Technology Policy, Russian Federation Ministry of Public Health, and state scientific centers.

4. Enterprises and facilities of the geologic, cartographic-geodesic, and hydrometeorologic service, facilities and enterprises monitoring and protecting the state of the environment and natural resources.

5. Enterprises and institutions of the sanitation-epidemiologic and veterinary service, and of the plant protection service.

6. Enterprises of the patent service, metrology and standardization, vehicle testing stations and proving grounds.

7. State stocks and mobilization reserves, as well as enterprises which ensure their maintenance.

III. Defense Production Facilities

1. All enterprises which produce systems and elements of armament, explosives and poisonous substances, fissionable and radioactive materials, rocket launch vehicles, aircraft and spacecraft, military equipment, enterprises, and facilities which provide for the servicing, launch, and tracking of space vehicles, and which engage in scientific research projects or experimental design development in these spheres—regardless of the share of military requisitions.

2. Protected working premises of the reserve centers for exercising command and control of all organs of state power and government, as well as communications facilities and engineering infrastructure elements designated for use at special times.

IV. Industrial Facilities of Branches Which Ensure the Vital Activity of the National Economy of Russia in General and the Development of Other Branches of the Economy

1. Enterprises of the Extraction Industry, with the exception of extraction of raw materials under local jurisdiction (determined in accordance with Russian Federation legislation).

2. Enterprises of the fuel and energy complex.

3. Enterprises and facilities for producing electrical energy, with the exception of those listed in Appendix 3.

4. Enterprises and facilities of the branches of railroad, air, and pipeline transportation, the river and maritime fleet, gas industry enterprises (except those included in Appendix 3).

5. Federal general-use highways and organizations servicing them.

6. Communications enterprises, television and radio broadcast centers.

7. Pedigree stock-breeding facilities, stud farms, selective hybrid breeding centers, seed inspection stations and laboratories for agricultural crop strain-testing, experimentation centers and plots, enterprises and farms for the production of valuable and anadromous varieties of fish, snake farms.

V. Other Facilities

1. Enterprises of the pharmaceutical industry, medical and biological preparations industry.

2. Enterprises and organizations for the production of vodka, liquors and spirits.

Appendix 2 to Resolution of the Russian Federation Supreme Soviet No. 3020-1 of 27 December 1991

Entities and Facilities Under Federal Ownership Which May Be Transferred to the State Property of Republics Within the Russian Federation, Krays, Oblasts, the Autonomous Oblast, Autonomous Okrugs, or the Cities of Moscow and St. Petersburg

1. Enterprises of all branches of the economy acknowledged in accordance with Russian Federation legislation, as occupying a dominant position in the republic (Russian Federation) or local commodities (work or services) markets.

2. Major enterprises of the economy (with average annual fixed assets value of more than 200 million rubles or over 10,000 individuals employed, as of 1 January 1992).

3. Enterprises of atomic and power energy machine building.

4. Enterprises of the fishing industry.

5. Fur farms.

6. State health resort facilities (not comprising property of enterprises), hotel facilities located within the jurisdiction of central organs of the Russian Federation state government.

7. Health care, public education, cultural, and sports institutions, except for those indicated in Appendix 3 (not comprising property of enterprises).

8. Scientific-research, drawing and design, geological survey and prospecting organizations, and in the event these fall within scientific production associations—the applicable scientific production associations.

9. Motor vehicle transportation enterprises (with the exception of those indicated in Appendix 3).

10. Enterprises engaged in construction and operation of water management systems and structures.

11. Television and radio broadcasting enterprises, printing enterprises, publishing houses, information and telegraph agencies located within the jurisdiction of the Russian Federation Ministry of the Press and Mass Media.

12. High school level specialized and occupational training institutions.

13. Enterprises of general republic significance engaged in construction, production of building and structural materials.

14. Wholesale-depot premises, grain-elevator complexes, refrigeration units, equipment assembly stations of general republic significance.

15. Enterprises included in the register of organizations engaged in eliminating the aftereffects of emergency situations.

Appendix 3 to Resolution of the Russian Federation Supreme Soviet No. 3020-1 of 27 December 1991

Municipal-Property Entities and Facilities

1. Entities and facilities of state ownership situated in territories falling under jurisdiction of the appropriate city (except for rayon-subordinate cities) or rayon (except for rayons- in-cities) Soviets of People's Deputies:

residential and nonresidential assets under the management of executive organs of local Soviets of People's Deputies (local administration), including buildings and structures previously transferred by them to the jurisdiction (accounting sheets) of other corporate persons, as well as remodeled or expanded nonresidential premises constructed from the 5- and 7-percent deductions for construction of facilities fulfilling sociocultural and everyday needs;

housing maintenance enterprises and repair-construction enterprises which provide services to the facilities enumerated in this appendix;

facilities of the engineering infrastructure of cities (except those comprising the property of enterprises), city passenger transportation (including the metro), facilities for external improvements, and the enterprises which run, service, maintain, and repair such facilities;

other facilities within the operational management of executive organs of city and rayon (in cities) Soviets of People's Deputies (local administration).

2. Facilities of state ownership under jurisdiction of the organs of state power and government of republics

within the Russian Federation, krays, oblasts, the autonomous oblast, and autonomous okrugs, and which are located in the territory of the appropriate cities:

enterprises for retail trade, public kitchens, and enterprises servicing the everyday needs of the population;

wholesale depot capacities, enterprises and subdivisions for production and technical assembly necessary for ensuring trade turnover and volume of services of the aforementioned enterprises;

public health institutions and facilities (except for oblast hospitals and dispensaries), institutions and facilities for public education (except special schools for children suffering from chronic illnesses), cultural and sports facilities.

3. Public kitchen enterprises and facilities, institutions of public education, public health care, culture, and sports, which are under jurisdiction of the Russian Federation Ministry of Agriculture.

4. Enterprises for retail trade, public kitchens, and enterprises servicing the everyday needs of the population, which are under the jurisdiction of ministries, departments, and state enterprises (except for restricted-network enterprises).

Appendix to Provisions of Privatization Program

PM1701144192 Moscow ROSSIYSKAYA GAZETA in Russian 15 Jan 92 First Edition p 2

[Undated appendix to "Basic Provisions of the Program for the Privatization of State and Municipal Enterprises in the Russian Federation in 1992" carried under the "Official Section" rubric—first paragraph is introduction]

[Text] On 10 January our newspaper published the Basic Provisions of the Program for the Privatization of State and Municipal Enterprises in the Russian Federation in 1992. Today we print an appendix to that document.

Targeted Indicators and Targets for Privatization

1. Light industry. The value of the property to be privatized is 10.6 billion rubles [R]; the proportion of enterprises to be privatized is 70 percent.
2. Food industry. Respectively: R23.8 billion; 60 percent.
3. Construction: R13.2 billion; 70 percent.
4. Construction materials industry: R6.8 billion; 50 percent.
5. Agricultural enterprises and production-technical support enterprises for agriculture: R1.3 billion; 60 percent.
6. Motor transport and vehicle repair enterprises: R5.5 billion; 70 percent.
7. Retail trade (stores): R10.0 billion; 60 percent.
8. Wholesale trade enterprises: R2.6 billion; 50 percent.
9. Public catering: R5.5 billion; 50 percent.
10. Consumer services: R5.7 billion; 60 percent.
11. Uncompleted construction projects: R7.0 billion; 20 percent.

In all: R92 billion.

Normatives for the Distribution of the Proceeds of Privatization

1. Members of labor collectives of enterprises being privatized. At projects of municipal ownership—10 percent; oblast ownership—10 percent; federal ownership—10 percent.
2. Local budgets (respectively): 50; 10; 10.
3. Republic, kray, and oblast budgets: 10; 50; 10.
4. Russia's republic budget: 20; 20; 60.
5. State privatization organs, including property funds at all levels: 5; 5; 5; property management committees: 4.5; 4.5; 4.5; the Russian State Property Committee (to the centralized bonus fund for working people in state privatization organs): 0.5; 0.5; 0.5.

Prognostic Assessment of the Correlation of Various Privatization Methods Broken Down by Sectors During 1992-1994

1. Light industry and the food industry. By means of selling shares following their transformation into joint-stock companies—up to 50 percent; by means of sale at auction or in a commercial competition—50 percent.
2. Construction organizations, the construction materials industry, and motor transport (respectively): 50; 50.
3. Retail trade, public catering, and consumer services: 10; 90.
4. Wholesale trade: 90; 10.
5. Other national economic sectors: 80; 20.

Criteria for Determining Privatization Methods

1. Trade enterprises in public catering and in consumer and municipal services, the retail network, "Soyuzpechat," and motor transport. Commercial competition—no more than 40 percent of enterprises by decision of the corresponding soviet of people's deputies; auction—the remaining enterprises; sale of shares following an enterprise's transformation into a joint-stock company: value of fixed capital in excess of R1 million.
2. Enterprises in the wood-processing, timber, printing, light, and food industries, metalworking, machine building, and construction. Up to 200 people, by decision of the property management committee; with a complement of more than 200 people or with a fixed capital value in excess of R2 million.
3. Sea and river transport: individual vessels.
4. Hotels: with a capacity of up to 100 places; with a capacity in excess of 100 places.
5. Enterprises for the processing of agricultural products and construction materials production: with a fixed capital value of up to R1 million; with a fixed capital value in excess of R1 million.

Other sectors. 1-2. By decision of the corresponding property management committee; with a fixed capital value in excess of R1 million.

Table 2 to the Basic Provisions of the Privatization Program Approved by the Russian Federation President's Decree No. 341 of 29 December 1991

Targeted Indicators for the Privatization of Enterprises in Various Sectors in 1992, Broken Down by Republics Within the Russian Federation (As a Percentage of the Total Number of Enterprises)

[In the two tables below, the symbols heading the columns denote the following: a—light industry; b—food industry; c—construction; d—construction materials; e—production and technical support for agriculture; f—motor transport; g—stores; h—wholesale bases; i—public catering; j—consumer services]

Republic	a	b	c	d	e	f	g	h	i	j
Adyge Soviet Socialist Republic [SSR]	60	50	50	50	30	60	60	50	50	60
Bashkir SSR	60	50	40	50	60	60	60	50	50	60
Buryat SSR	60	50	35	50	60	60	60	50	50	60
Gorno-Altay SSR	60	50	50	50	60	60	60	50	50	60
Dagestan SSR	60	50	50	50	60	60	60	50	50	60
Kabardino-Balkar SSR	60	50	50	50	50	60	60	50	50	60
Kalmyk SSR	60	50	40	50	—	50	40	50	50	60
Karachayevo-Cherkess SSR	60	50	50	50	30	60	60	50	50	60
Republic of Karelia	60	50	50	50	60	60	60	50	50	60
Komi SSR	60	50	45	50	60	60	60	50	40	60
Mari SSR	60	50	45	50	45	60	55	50	50	60
Mordovian SSR	60	45	50	30	60	60	40	30	25	50
North Ossetian SSR	60	50	50	50	60	60	60	50	50	60
Tatar SSR	60	50	60	50	60	60	60	50	50	60
Republic of Tuva	60	50	50	45	—	45	40	50	50	60
Chechen-Ingush Republic	60	50	50	50	60	60	60	50	50	60
Chuvash SSR	60	50	50	50	25	55	60	50	45	60
Udmurt Republic	60	50	50	50	60	60	60	50	50	60
Khakass SSR	60	50	50	50	60	60	60	50	45	50
Yakutsk Sakha SSR	60	50	35	25	—	60	60	40	25	60

Table 3 to the Basic Provisions of the Privatization Program Approved by the Russian Federation President's Decree No. 341 of 29 December 1991

Compulsory Targets for the Privatization of Enterprises in Various Sectors in 1992 (As a Percentage of the Total Number of Enterprises)

Region	a	b	c	d	e	f	g	h	i	j
Arkhangelsk Oblast *)	60	50	50	45	60	60	60	50	35	60
Vologda Oblast	60	50	55	40	60	60	60	50	45	60
Murmansk Oblast	60	20	20	45	60	60	60	50	40	60
St. Petersburg	60	50	50	50	60	60	60	50	50	60
Leningrad Oblast	60	50	50	50	60	60	60	50	50	60
Novgorod Oblast	60	50	50	50	60	60	60	50	50	60
Pskov Oblast	60	50	50	50	60	60	60	50	50	60
Bryansk Oblast	60	50	50	45	60	60	60	50	50	60
Vladimir Oblast	45	50	50	50	60	60	60	50	50	60
Ivanovo Oblast	45	50	50	50	60	60	60	50	50	60
Tver Oblast	60	50	50	50	60	60	60	50	50	60
Kaluga Oblast	60	50	50	50	60	60	60	50	50	60

Region	a	b	c	d	e	f	g	h	i	j
Kostroma Oblast	60	50	50	50	60	60	60	50	50	60
Moscow	60	50	50	50	—	60	60	50	50	60
Moscow Oblast	60	50	50	50	—	60	60	50	50	60
Orel Oblast	60	50	50	30	15	60	40	40	35	40
Ryazan Oblast	60	50	50	50	55	60	60	50	50	60
Smolensk Oblast	60	50	50	40	60	60	60	50	50	60
Tula Oblast	60	50	50	50	60	60	60	50	50	60
Yaroslavl Oblast	60	50	50	50	60	60	60	50	50	60
Nizhniy Novgorod Oblast	60	50	50	50	60	60	60	50	45	60
Kirov Oblast	60	50	50	40	60	60	60	50	40	60
Belgorod Oblast	60	45	65	50	60	60	60	40	30	60
Voronezh Oblast	60	45	50	50	10	60	60	40	35	55
Kursk Oblast	60	40	50	50	60	60	60	50	40	60
Lipetsk Oblast	60	40	50	35	60	60	55	40	35	30
Tambov Oblast	60	50	50	50	60	60	60	50	45	60
Astrakhan Oblast	60	45	45	50	60	60	60	50	50	60
Volgograd Oblast	60	50	50	50	60	60	60	50	50	60
Samara Oblast	60	50	50	50	50	60	60	50	50	60
Penza Oblast	60	50	50	50	60	60	60	50	45	60
Saratov Oblast	60	50	45	45	60	60	60	50	50	60
Ulyanovsk Oblast	60	50	55	50	60	60	60	50	40	60
Krasnodar Kray	60	50	50	50	20	60	60	50	50	60
Stavropol Kray *)	60	50	50	50	30	60	60	50	50	60
Rostov Oblast	60	50	50	50	60	60	60	50	50	60
Kurgan Oblast	60	50	50	50	60	60	60	50	50	60
Orenburg Oblast	60	50	50	40	60	60	60	50	40	60
Perm Oblast *)	60	50	50	50	60	60	60	50	50	60
Yekaterinburg Oblast	60	50	50	45	60	60	60	50	50	60
Chelyabinsk Oblast	60	50	15	50	60	60	60	50	50	60
Altay Kray *)	60	50	50	50	60	60	60	50	50	60
Kemerovo Oblast	60	50	50	45	60	60	60	50	45	60
Novosibirsk Oblast	60	50	50	50	60	60	60	50	50	60
Omsk Oblast	60	50	50	50	60	60	60	50	45	60
Tomsk Oblast	60	50	40	50	60	60	60	50	50	60
Tyumen Oblast *)	60	40	20	20	60	60	60	10	15	35
Krasnoyarsk Kray *)	60	50	50	50	60	60	60	50	45	60
Irkutsk Oblast *)	60	50	50	50	60	60	60	50	50	60
Chita Oblast	60	50	50	50	60	60	60	50	45	60
Maritime Kray	60	30	50	50	60	60	60	50	50	60
Khabarovsk Kray *)	60	50	65	50	60	60	60	50	50	60
Amur Oblast	60	50	35	50	20	60	60	50	30	60
Kamchatka Oblast *)	60	20	65	50	60	60	60	50	30	50
Magadan Oblast *)	60	50	35	50	60	60	60	50	35	60
Sakhalin Oblast	60	30	25	50	50	60	60	50	30	60
Kaliningrad Oblast	60	20	50	50	60	60	60	50	50	60

*) Including the national-territorial formations locatedon their territory.

Supreme Soviet

Deficit-Free Budget Submitted for Approval

Gaydar Presents Report

LD2401100392 Moscow Mayak Radio Network in Russian 0800 GMT 24 Jan 92

[By correspondent Aleksandr Ruvinskiy]

[Text] A message on the budget for the first quarter of 1992 by the president is being examined at the Russian Supreme Soviet right now. Yegor Gaydar, presidential representative and deputy chairman of the Russian Federation Government, gave a report. He spoke about the difficulties the government had come across while preparing a draft budget, a draft budgetary system for the Russian Federation for the first quarter. Naturally, there had been an attempt to prepare a deficit-free budget.

The draft submitted to the Russian Supreme Soviet for approval today envisages such a deficit-free budget. It is absolutely clear now, however, that during its implementation in the next few months, in February in particular, certain amendments will be incorporated into it, since there are no steady and stable prices yet; there are only pricing intentions of enterprises, as Gaydar put it. If one proceeds from these pricing intentions, the pace of inflation for this quarter is to reach 1,000-1,200 percent. Naturally, the population will not be able to stand such pressure, and the draft submitted for approval today envisages a 400-percent rate of inflation.

Gaydar dwelt on the reasons for the drop in production, the production crisis which can be observed in our economy now, and noted that a collapse of economic ties, the undermining of incentives for work, and a fall in imports are the main reasons.

Discussion of the draft submitted by the government has not started yet. At the moment deputies are asking Gaydar questions on various clauses of the submitted budget. Nevertheless, people's deputies have already been given the conclusion of the commission on this draft. On the whole, the commission supports the draft submitted by the government. Nevertheless, they believe that additional funds should be allocated for a whole number of clauses, such as expenditure for the agro-industrial complex, the financing of health care establishments and higher education and science.

Taking these proposals into account—provided they are adopted—the deficit of the Russian Federation's budget will grow by 276 billion rubles for the first quarter alone. According to the data Gaydar gave today, the Russian Federation's budget deficit amounted to 108.4 billion rubles.

We will keep our listeners informed as the discussion takes place.

Cites 'Avalanche of Hyperinflation'

LD2401124192 Moscow Radio Rossii Network in Russian 1000 GMT 24 Jan 92

[Text] The Russian Government has only one option for stabilization left—sharply curbing the pace of the growth of the money supply and countering the mounting avalanche of hyperinflation with a very tough financial and monetary policy. This was stated by Yegor Gaydar, vice premier of the republican cabinet.

At a plenary sitting of the Supreme Soviet of the Russian Federation today, he delivered a report on the message on the budget for the first quarter of 1992 presented by President Boris Yeltsin. For this purpose, according to Yegor Gaydar, it is necessary to stop the expansion of credit both within Russia and outside it, and to eliminate the state budget deficit, which amounts to 17-18 percent of GNP in terms of last year's consolidated budget.

The vice premier spoke in favor of reducing the budget deficit, which, in accordance with the draft, should amount to about 1 percent of GNP in the first quarter of this year. In this connection, he stressed the need for a sharp cut in the sphere of the state's economy, procurements and financing.

Parliament Holds Session 23 Jan

Kozyrev Speaks

LD2401002992

[Editorial Report] Moscow Russian Television Network in Russian at 1830 GMT on 23 January carries its "At the Russian Supreme Soviet Session" program of recorded highlights of the Russian Supreme Soviet session in Moscow on 23 January.

At 1831 GMT Chairman Khasbulatov announces First Deputy Foreign Minister Shelov-Kovedyayev is to deliver a report for debate on ratification of the treaty on state relations between the Russian Federation and the Republic of Kyrgyzstan. Khasbulatov further announces that Sherimkulov, chairman of the Kyrgyzstan Supreme Soviet, and Kyrgyzstan's permanent representative are present in the chamber. Deputies acknowledge them.

At 1833 GMT Shelov-Kovedyayev presents his report, outlining the background to and the main thinking behind the treaty.

At 1838 GMT, Deputy Granberg speaks. He is in favor of ratifying the treaty but notes the need for certain laws in Kyrgyzstan for protection of rights of national minorities. He recalls credits given by Russia to Kyrgyzstan as evidence of the "direct" relations now developing between the two states. He moves on to note the growing exodus of Russians from Kyrgyzstan and suggests that the treaty needs to be supplemented with mechanisms to avoid interethnic disputes and provide compensation for migrants. He ends by again recommending ratification

of the treaty, noting that the committee on interrepublican matters, which he heads, will at the same time emphasize to the government the importance of these measures.

At 1844 GMT Sherimkulov speaks. He recalls Kyrgyzstan's long-standing relations with Russia. He emphasizes the importance they attach to further economic links, mentions that the two states now have embassies in each other's capitals, and welcomes Granberg's suggestion of a coordinating commission.

At 1847 GMT Khasbulatov puts the matter to the vote. It is passed with 201 for, none against, one abstention.

At 1848 GMT the program shows Kozyrev speaking on the question of relations with the Ukraine. Khasbulatov asks if the foreign minister is present, and Andrey Vladimirovich Kozyrev addresses the session:

"Esteemed people's deputies. I see that two documents have been presented concerning relations with the Ukraine. If you want my purely, well, personal opinion on this matter, then as a form of political, well, activity, and perhaps even pressure of some political kind, this may well deserve attention. But if we are to try seriously to make sense of the juridical force and legality of all these decisions then we are likely to come very quickly to the simple understanding which has already been acknowledged many times in this chamber—among others by the chairman of the Supreme Soviet and by the president, and I would say there can be very few deputies who have not said the same thing in one form or another—that for many years we lived in conditions of totalitarianism, effectively of dictatorship, and of course decisions were made—whether they were or were not formally endorsed by one elected state body or another—but in effect, as we are all perfectly well aware, they were made by the Politburo, sometimes even with not all its members present.

"Therefore one could speak of whether or not there was a juridical basis to them only by considerably stretching the interpretation of that phrase. So in principle, of course, what we are talking about is a political decision. But then, inasmuch as an instruction has been given to set out the position, then probably in approaching this matter we should... [pauses] though, I repeat, we shall of course study the juridical side of it and present you with recommendations on that. But in approaching this matter I think I ought to bear in mind the political side. And, as you know just as well as I do, that amounts in the first place to looking at how realistic would be the possibility of raising the issue of Crimea; and in the second at what losses this would entail subsequently for our relations with the Ukraine, and what—let us be blunt about this—retaliatory measures Ukraine might take.

"In other words, the matter does of course deserve all-round study, and I think that if that is the approach we take to this decision, in other words, that it is a matter of Supreme Soviet committees, perhaps deputies' groups with an interest in the matter—and I believe our ministry could probably come up with a few departments with an interest in this—so that all could voice their opinions on this most complex issue in all its aspects. I believe that would be right and wholly well-based, and I would lend my support to that." The announcer says that after discussion the appeal and draft resolution were adopted.

At 1851 GMT the report cuts to a speech by a man identified only as Boris Petrovich, proposing as candidate for chairman of the Higher Arbitration Court Veniamin Fedorovich Yakovlev. Khasbulatov puts the candidature to the vote, which is passed 141 for, 10 against, 11 abstentions. Yakovlev acknowledges his election.

At 1853 GMT the announcer says that the intended ratification of the treaty between the Russian Federation and Armenia was postponed.

Proceedings Outlined

LD2301125392

[Editorial Report] Moscow Mayak Radio Network in Russian at 1000 GMT on 23 January broadcasts a 5-minute report by station correspondent Andrey Nikiforov on the work of the Russian Supreme Soviet in the Moscow White House.

Nikiforov says that despite a busy agenda, deputies have suggested other issues for consideration. Baburin proposed considering the situation surrounding the Black Sea Fleet and the status of the Crimea. This issue may be considered this afternoon provided, as Supreme Soviet Chairman Khasbulatov stressed, "normal representation is ensured".

Deputies then followed the agenda. The first issue is the ratification of the treaty on the principles of interstate relations between the RSFSR and the Republic of Kyrgyzstan, signed on 21 July 1991, and ratified by the Kyrgyzstan Supreme Soviet on 31 August. A report is made by First Deputy Foreign Minister Fedor Shelov-Kovedyayev. An accompanying report from the parliamentary committee on issues of interrepublican relations is made by Deputy Aleksandr Grandberg. Present for the ratification was Kyrgyzstan Supreme Soviet Chairman Sherimkulov. The treaty has now been ratified by the Russian parliament.

The same rapporteurs dealt with another treaty between Russia and Armenia on friendship, cooperation, and mutual security, but there were many more questions from deputies concerned over possible damage to the

balance in relations between the RSFSR and Transcuacasian republics. Grandberg explains there was no clash of interests in concluding the treaty which, according to Nikiforov, "should be ratified literally in a few minutes' time;" the treaty with Armenia is being concluded a little early, and a treaty with Azerbaijan is being prepared.

Nikiforov points out that the treaties are already de facto in force. He says that the need to tackle the problem of reciprocal immigration was repeatedly stressed at the session.

Other issues on the agenda include the appointment of Veniamin Fedorovich Yakovlev, former USSR minister of justice and chairman of the USSR Supreme Court of Arbitration, as chairman of the RSFSR Supreme Court of Arbitration; procedures for elaborating and utilizing federal road funds; and amendements to existing legislative acts.

Cooperation Treaty With Armenia Debated

LD2301180392 Moscow TASS in English 1708 GMT 23 Jan 92

[By TASS correspondent Ivan Novikov]

[Text] Moscow January 23 TASS—A debate that opened on Thursday [23 January] in the Russian parliament on a treaty of friendship, cooperation and mutual security between Russia and Armenia, signed late in December 1991, has not led to a constructive result.

Members of parliament have no doubt that this treaty is necessary, but many believe that separate provisions of the document need to be specified. This particularly applies to military affairs. It was said that the ratification of the treaty should be put off until a treaty with Azerbaijan is concluded.

Examination of Crimean Problem Ordered

LD2301175892 Moscow TASS International Service in Russian 1722 GMT 23 Jan 92

[Text] Moscow, 23 Jan (TASS)—The Committee on International Affairs and External Economic Relations and the Committee on Legislation have been instructed to "examine whether decisions taken in 1954 on the transfer of the Crimean Oblast from the RSFSR to the Ukrainian Soviet Socialist Republic were constitutional and to submit their findings to the Supreme Soviet of the Russian Federation by 6 February 1992" under a decision adopted today by the Russian Supreme Soviet on the problem of the Crimean Oblast.

Russian Foreign Minister Andrey Kozyrev described the transfer of the Crimea to the Ukraine "as a political decision taken by the former Politburo." Nevertheless, he warned parliament against creating a real strain in Russia's relations with the Ukraine and advised it to consider the possibility of retaliatory measures by the Ukraine.

Message Sent to Ukraine Parliament

AU2301161492 Paris AFP in English 1609 GMT 23 Jan 92

[Text] Moscow, Jan 23 (AFP)—The Russian parliament voted Thursday [23 January] to re-examine the attribution of the Crimea to the Ukrainian republic in 1954.

Deputies also called on their Ukrainian counterparts to reconsider the attribution by then-Soviet leader Nikita Khrushchev of the Crimea, a strategic Black Sea peninsula which at the time formed part of the Russian Federation, to Ukraine.

They also addressed a message to the Ukrainian parliament declaring that the disputed Black Sea Fleet "in its entirety is intended to ensure the balance of strategic forces in the Mediterranean region".

New Oath for Black Sea Fleet Adopted

LD2301175592 Moscow TASS International Service in Russian 1716 GMT 23 Jan 92

[Text] Moscow, 23 Jan (TASS)—"Personnel called up to carry out their service in the Black Sea Fleet must take a military oath established by an agreement of the member-states of the Commonwealth of Independent States [CIS] for strategic forces," reads a decision adopted today by the Russian Supreme Soviet on the fate of the Black Sea Fleet. The Russian parliament has proposed that the Ukrainian Supreme Soviet adopt a decision to accelerate constructive negotiations on a whole range of questions concerning the Black Sea Fleet. The deputies who recently met representatives of the Black Sea Fleet in Sevastopol remarked that the Fleet ensures the strategic security not only of the Ukraine, but of other CIS countries also, and therefore many naval sailors refuse to take an oath of allegiance to the Ukraine. Proceeding for this, the deputies called on parliament, while respecting the Ukraine's rights, nonetheless to defend the interests of the Commonwealth and Russia's own national interests in the vexing situation.

Government Retains Control Over Vneshekonombank

OW2301174292 Moscow INTERFAX in English 1637 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] On Thursday [23 January] Ruslan Khasbulatov, head of the Russian parliament, signed into law a document passed by the Presidium of the Supreme Soviet of the Russian Federation which preserves the USSR Vnesheconombank (Bank of Foreign Affairs) and transfers its collective investment and reserve funds, and its buildings and other property, to the Central Bank of Russia "until an agreement on the USSR Vnesheconombank is signed."

Parliament leadership expressed support for the draft document last week, but they are revising their position after consultations with the Central Bank of Russia.

The document ensures that Vnesheconombank will continue to service its foreign debt and manage the assets of the former Soviet Union. Russia will take on all debts the former USSR has to Russian citizens and legal entities, including banks, having hard currency accounts at Vnesheconombank. The government of the Russian Federation and the Central Bank of Russia together with Vnesheconombank will restructure these debts and issue hard currency government bonds to help pay them off.

Some of Vnesheconombank's services, including its branches in Russia and abroad, will be transferred to Russia's Vneshtorgbank (Bank of Foreign Trade).

Until the debt is restructured, no hard currency deposited in clients' accounts with the bank before December 31, 1991 can be withdrawn or transferred, except for transaction payments made before that date. The Republican Hard Currency Reserve of Russia will provide compensation for those funds.

Gaydar on Grain Procurement, Debt Repayment

LD2301104892 Moscow Programma Radio Odin Network in Russian 0900 GMT 22 Jan 92

[Text] Yegor Gaydar, vice prime minister of the Russian Government, has called the situation on the supply of grain for Russia problem number one. At a meeting with People's Deputies at the House of Soviets on the Krasnopresnenskaya Embankment, the vice prime minister reported that all hard currency, as well as proceeds from sales of some petroleum and petroleum products, has now been channelled into purchases of grain and freight charges for ships delivering it to Russian ports.

A daily average of 120,000 tonnes of grain is being unloaded. If it proves possible to maintain a level of 4,000,000 tonnes of grain per month, then there should not be any disaster, Gaydar said. He said that January and February were the most difficult months for supplying the population with bread.

The vice prime minister said that the issue of deferment of foreign debt repayments would be tackled after the IMF expert study, planned for March, on the effectiveness and irreversibility of economic reforms in Russia.

Further on Report From Central Bank Chairman

LD2301195492 Moscow TASS International Service in Russian 1712 GMT 22 Jan 92

[Text] Moscow, 22 Jan (TASS)—According to the forecast by the Russian Central Bank, the emmission in the first quarter of 1992 will amount to 34.3 billion rubles, Bank Chairman Georgiy Matukhin noted in his speech at a session of the Russian Supreme Soviet. He proposed a cashless method of conducting transactions between enterprises, and also between enterprises and consumers as an immediate measure for normalizing monetary circulation. In particular, transfers of cash exceeding 2,000 rubles to citizens' personal accounts for goods sold through the network of second-hand and commercial shops and also the sale of goods costing more than 2,000 rubles should be made by means of checks and checkbooks of the Russian Savings Bank. In their speeches, deputies criticized the Russian Central Bank. Thus, the parliamentarians noted the fact that over the last eighteen months its operations have not been audited. Nor has the board of directors been elected. The decisions adopted by the Council of the Republic and the Council of Nationalities have mapped out measures for improving the operation of the Russian Central Bank.

Parliament Debates Media Issues, Funding

PM2201143192 Moscow ROSSIYSKAYA GAZETA in Russian 22 Jan 92 First Edition p 1

[Robert Minasov report "From the White House": "Russian Federation Supreme Soviet Committees: Time To Share Out Budget 'Cake' Has Come"]

[Text] Parliamentary hearings of representatives of the Russian Government on questions of the budget, taxation, and price liberalization lasted from morning until evening in the hall of the Russian Federation Supreme Soviet Soviet of Nationalities yesterday.

The hearings attracted great attention from people's deputies, specialists from the relevant sectors, and journalists.

While Deputy Premier Yegor Gaydar and Vasiliy Barchuk, first deputy minister of the economy and finances, were reporting to people's deputies on the situation regarding the forecasting of the main indicators of Russia's socioeconomic development for 1992 and on the budget for the first quarter of this year, the first to sound the alarm was the committee on the mass media, links with public organizations and citizens' mass movements, and the study of public opinion. Members of this committee were alarmed by the fact that, according to the draft budget, the mass media are being allocated a sum which cannot fully meet their needs. There was another equally important point: In the draft budget, resources for the mass media are coupled with appropriations for art and culture—in other words, they are not even a separate item.

Igor Yeremin, chairman of the subcommittee on the press, Mikhail Poltoranin, minister of the press and information, Aleksey Ulyukayev, government economic adviser, Valentin Lazutkin, general director of the "Ostankino" Television and Radio Company, Oleg Poptsov, leader of the All-Russian Television and Radio Company, Viktor Yugin, leader of the new television and radio company "Peterburg," Viktor Novikov, chairman of the board of the Russian Union of Journalists, and Anatoliy Shcheblyakov, general director of "Rosbumopttorg," took part in the extensive and substantive discussion at the committee.

Mikhail Poltoranin began his speech thus: This question would not have been submitted to the committee for examination, of course, had we raised the price of basic textbooks, for example, to 120 rubles [R] and of a single issue of a newspaper to R10-11... But the reader would hardly have understood us if we had done that.

Judging from the speeches and documents it cannot be ruled out that, unless measures are adopted, we shall revert in the near future to a tried and tested ancient method of news delivery: heralds and town criers will appear on the streets of our cities.

The corresponding resolutions have been adopted on the problems under discussion.

Deputies Criticize Media Coverage of Session

PM2301145492 Moscow ROSSIYSKAYA GAZETA in Russian 23 Jan 92 First Edition p 1

[Report by parliamentary observers Robert Minasov and Olga Burkaleva under the rubric "In the Russian Federation Supreme Soviet Chambers": "Monitoring the Press and the Government"]

[Excerpt] [passage omitted] On Wednesday 22 January the Supreme Soviet chambers worked separately. During the discussion of the agenda in the Soviet of Nationalities a debate broke out over the coverage of the session's work by the mass media, in particular television. In fact it was not exactly a debate. The deputies accused television of tendentiousness in presenting material and of whipping up Russophobia. Accounts of the session, in the deputies' opinion, distort the true picture of the course of discussion. For instance, questions of ratification of treaties with the Baltic republics are by no means easy to resolve. The rights of the Russian-speaking population there are being flouted. In the opinion of Deputy V. Uvachan, the time has come to go to their defense. Noting that people are once again being persecuted for their convictions, deputies demanded that the re-emerging censorship be removed.

Recently there have been complaints about the press every day. But if it is to improve its coverage of, say, the work of the Supreme Soviet, journalists should at least have access to the documents being discussed by the deputies. But journalists are placed in the position of suppliants. The phrase "for deputies only" is heard quite frequently. Even the intervention of the Supreme Soviet leaders did not help.

The Soviet of the Republic heard a report from Yu. Yarov, deputy chairman of the Supreme Soviet, on the presidium's work. He said, in particular, that following Supreme Soviet Chairman R. Khasbulatov's report on the results of his trip to Ryazan Oblast it was deemed necessary to step up the Supreme Soviet's monitoring of events in the ground and to work more quickly to improve legislation on economic reform. Instructions were given to a number of commissions and committees to finalize tax legislation and normative acts on price regulation, privatization, and the provision of material resources.

Yarov reported that the question of "The Russian Federation Supreme Soviet Control and Budget Chamber" was discussed. It was deemed expedient to embark on the formation of such a body. The chamber's main function will be to monitor the implementation of the budget and the state of budget funds.

The Soviet of the Republic passed at its first reading the draft law "On Deliveries of Products and Goods for State Needs." It was presented by A. Yeremin, chairman of the Committee for Industry and the Power Industry. The draft law is designed to establish general labor and economic provisions for ensuring the availability of material resources for priority state needs, including the most important special-purpose state programs for socioeconomic development of the Russian Federation. This is necessary in the context of the transition to market relations. Under this draft law, the state is to act as buyer on contract principles. It is stipulated that both sides are accountable for the violation of commitments. Basically this is an updated version of the state order. However, as many speakers noted, in order to avoid totally wrecking our economy, which is already falling apart at the seams, the adoption of such a document is necessary. It was stated that the document has been agreed with Ye. Gaydar.

A draft Law "On Amendments to the Russian Federation Correctional Labor Code" was delivered by S. Sirotkin, member of the Human Rights Committee. He said that the situation at places of deprivation of liberty is worrying. The prisoners' severe dissatisfaction with the conditions of existence is to a great extent justified, and leads increasingly frequently to the development of tension, and sometimes to disturbances and violence.

The proposed amendments and additions have the aim of lessening tension in places of deprivation of liberty. They constitute the first necessary step toward fulfilling the commitments our country has assumed voluntarily on the basis of the international treaties it has signed. The draft law must be regarded as a mechanism for society to protect itself from a criminalizing correctional labor system. It is therefore necessary to give a clear definition of the punishment called "deprivation of liberty," and also to make provision for the protection of personnel at correctional labor institutions, extending to them all the guarantees stipulated in the Law "On the Militia." The draft law was passed at the first reading.

The Soviet of Nationalities once again postponed—as it did a week ago—the examination of the question of observations and amendments to the Law "On Enterprises and Entrepreneurial Activity." In the opinion of many economist deputies, the proposed changes in effect legalize the so-called nomenklatura privatization.

Bill Amending Correctional Labor Code Approved

OW2201173392 Moscow INTERFAX in English 1416 GMT 22 Jan 92

[Transmitted via KYODO]

[Text] A bill of amendments to the correctional labor code of the Russian Federation has been approved after the first reading by both houses of the republican parliament, which met in session separately. It provides for more humane treatment of prisoners. The parliamentary human rights committee, which drafted the bill, says this is the first step to implement two international treaties to which Russia is a signatory—the convention against torture and other cruel, inhuman or humiliating treatment and punishments and the one on minimum standard rules of the treatment of prisoners.

Privatization Decree Implementation Discussed

LD2301195992 Moscow TASS International Service in Russian 1859 GMT 22 Jan 92

[By TASS correspondent Ivan Novikov]

[Text] Moscow, 22 Jan (TASS)—The established limitations on the rise in the prices of a number of basic foods are not being implemented in most regions of Russia. This was said today at the latest sitting of the Russian parliament's task force on coordinating actions connected with the carrying out of economic reform. Deputies discussed the question of how the stipulation in the Russian president's decree on the state regulation of the prices of goods and food was being implemented.

Both the parliamentarians and the leaders of a number of departments cited numerous instances showing that the regulation of consumer prices in the center and in the localities was a question of extremes and arbitrariness. Reports coming in from all over indicate that social tension is mounting throughout the republic. This applies particularly to several places in the Urals, Siberia, and a number of oblasts in the Volga area. The fixed prices are violated both by the producers of goods and retail enterprises, and by the executive authorities in the localities. Deputies mentioned with regret that this was aided by a recent instruction from the Russian Government saying that executive authorities in the localities may alter the price of milk, kefir, and other food. The hectic demand for bread is not abating.

Mention was also made of the population's reaction. In a number of cases, town-dwellers are resorting to a goods boycott. Spontaneous formations of the population have started to appear and have declared war on retail excesses. It was pointed out at the meeting that a struggle was being waged against instances of abuse. Law enforcement bodies were resorting to fines and the confiscation of goods, and criminal proceedings were being instituted.

The task force, which has, in effect, become a commission for acute social problems, is carrying out a great deal of analytical work aimed at drawing up government recommendations. As was emphasised by Vladimir Shumeyko, deputy chairman of the Russian Supreme Soviet and leader of the task force, the government needs, as a matter of urgency, to take some decision on stabilizing the republic's situation stemming from price liberalization, and to announce it publicly.

Factions Submit Proposals on Naval Ministry

OW2201222792 Moscow INTERFAX in English 1920 GMT 22 Jan 92

[Transmitted via KYODO]

[Text] Parliamentary factions "Russia" and "Motherland" which comprise a total of over 150 deputies sent Wednesday [22 January] their proposals to the Russian authorities in the wake of the factions' fact-finding mission to the Black Sea fleet.

An IF [INTERFAX] correspondent has learned the proposals stress, in particular, that removing the Black Sea fleet from the Commonwealth's armed forces would undoubtedly result in breaking a military and strategic parity in Europe and prompt the rest of the former Union republics to lay claims to the remaining three, Baltic, Northern and Pacific, fleets.

A possible solution to the Black Sea fleet problem may entail the setting up of a Naval ministry in Russia which, the proposals point out, is not inconsistent with agreements between the member-states of the Commonwealth.

Rumyantsev Interviewed on Constitutional Reform

LD2201163692

[Editorial Report] Moscow Russian Television Network in Russian at 1545 GMT on 21 January broadcasts a 15-minute "Parliamentary Herald" program on the recorded events at the day's session of the Russian Supreme Soviet held in Moscow.

Russian People's Deputy Igor Zbronzhko reports that the House of Soviets of the Russian Federation hosted a session of the Constitutional Commission. Zbronzhko then interviews O.G. Rumyantsev, senior secretary of the Constitutional Commission. Rumyantsev begins by saying:

"An important issue for us today is a new turn in the constitutional process in the Russian Federation. This new turn consists of the fact that the former autonomous regions, currently republics within the Russian Federation, have one after the other started to draw up their constitutions. I will state quite frankly that of the three drafts we have received so far—of the Yakut, Tuva, and Tatar constitutions—the Tuva one alone has given rise to purely juridical comments. These, inter alia, relate to the role of the soviets and to the delineation of powers—which we would like to see being demarcated more clearly than we see in the Tuva draft at present.

"It is the draft constituions of Yakutia and Tataria, however, that constitute the main problem today. The fact is that to judge by all events, we are starting to move from the very sad war of laws and war of sovereignties to a possible new spiral of confrontation, in the form of a war of constitutions. The draft Tatar constitution, which has recently been published in Tataria, completely ignores the obvious fact that Tatarstan, the Republic of Tatarstan, is a republic within the Russian Federation; it is the constitution of an entirely independent state. The draft Yakut constitution stipulates that the Yakut-Sakha Republic is part of the Russian Federation. Nevertheless, according to all the powers this constitution assigns to Yakutia, the question of the validity of any Russian laws on the territory of Yakutia laws is omitted; nor does it deal with the question of the Yakut-Sakha Republic coming within the budget and taxation system of the Russian Federation; and the supremacy of the constitution and laws is proclaimed. In effect, the Russian Federation is left with only minimal powers for the protection of the state border and effecting the security and defense of the Yakut republic.

"We discussed this at the Constitutional Commission today, without abuse, without any political slogans, but merely asking what is to be done. There are evidently three aspects, three ways out of this situation, in order to avoid any war of constitutions breaking out. The first thing is that an agreement must be initialed as soon as possible on the demarcation of powers between the federal authority and the authority in the republics."

Rumayantsev goes on to say that a relevant draft agreement on the demarcation of powers was approved by a plenary session of the previous constitutional Commission. Today this was amended and today it will be examined. It will next be initialed and then tabled to the Congress of People's Deputies, adopted as a law, and enshrined in the existing Constitution.

Today, Rumyantsev says, the commission decided to initiate the formation of a parliamentary delegation for talks with Tataria and Yakutia, primarily because the recently signed draft agreement between Gaydar and Sabirov [chairman of Tatarstan Council of Ministers] goes outside the governmental powers, Rumyantsev says. Ruslan Imranovich Khasbulatov is to go to Yakutia at the end of the month to a session at which the Yakut draft constitution will receive its first reading, and talks will take place on the demarcation of powers.

Parliament 'Skeptical' About Lithuanian Treaty

OW2101200192 Moscow BALTFAX in English 1847 GMT 21 Jan 92

[Transmitted via KYODO]

[Text] Chairman of the Russian parliament's Commission for Inter-Ethnic Relations, Mr. Aleksandr Granberg, said at a press conference in Riga, January 20, that the Russian parliament was more skeptical about the ratification of the Russian-Latvian treaty, than about the Russian-Lithuanian treaty. He noted, however, that he had recommended Chairman of the Russian parliament, Mr. Ruslan Khasbulatov, "to accept the Latvian-Russian treaty of January 13, 1991, for ratification". Mr. Granberg said that the ratification issue would be submitted to parliament on January 23.

The treaty may be ratified not earlier than in a four weeks' time, said Mr. Granberg and added that the chief disagreements in the Russian parliament may raise over the problem of citizenship.

The Latvian draft law on citizenship has a number of limitations including residence qualification of 16 years.

On December 26, 1991, Russia ratified the treaty with Estonia.

Official Speculates on Bakatin Job Offer

OW2201222892 Moscow INTERFAX in English 1801 GMT 22 Jan 92

[Transmitted via KYODO]

[Text] The chairman of the Russian parliament's law and order and anti-criminality committee, Aslanbek Aslakhanov, has told IF [INTERFAX] he "doesn't rule out that the president (Boris Yeltsin) may offer a position in the Russian Security Council to Vadim Bakatin. I, personally, would welcome such a development", Mr. Aslakhanov added.

However, no law on the Russian Security Council has yet been enacted.

Under a recent presidential decree Mr. Bakatin was relieved of duty as chief of the Inter-Republican Security Service which he had headed several months after the failed coup in August until the Commonwealth of Independent States was formed.

Mr. Aslakhanov said also that the merger of the interior ministry of Russia and that of the former Soviet Union aroused fears among his committee members that many departments of the new ministry may be created to accommodate specific officials who "lost their jobs". However, Mr. Aslakhanov stressed, "these fears were allayed" when the newly-appointed interior minister Viktor Yerin presented his report to the committee last Tuesday.

According to Mr. Aslakhanov, the former Russian interior minister, Andrey Dunayev, will be offered a position of Mr. Yerin's deputy.

The committee chairman said also that the draft budget for 1992 presented by the governuent contained so small outlays for the law-enforcement agencies that they "would be insufficient even to pay wages and salaries". "It creates an impression that this section of the budget was drafted by those who have no idea as to how the law-enforcement agencies function", Mr. Aslakhanov pointed out.

USSR Deputies' Assistants Contracts Annulled

PM2001150492 Moscow ROSSIYSKAYA GAZETA in Russian 20 Jan 92 First Edition p 2

[Unattributed report from "Official Section" column: "Contracts With Deputies' Assistants Annulled"]

[Text] By an ordinance of the chairman of the Russian Federation Supreme Soviet, in connection with the cessation of the activity of USSR people's deputies on the territory of the Russian Federation from 2 January 1992: Labor contracts with assistants to USSR people's deputies are to be annulled from 2 January 1992;

all enterprises, organizations, and institutions on which assistants to USSR people's deputies serve are to pay compensation equivalent to two months' salary and a redundancy grant of an average monthly salary.

The Russian Federation Ministry of Economics and Finance, the ordinance says, is to permit local financial organs to authorize expenditure for the implementation of point 2 of the present ordinance out of the budget of the Russian Federation.

The ordinance was signed on 9 January 1992 and is No. 2154 RP-1.

'Smyena' Faction Criticizes CIS, Officials

LD1601063392 Moscow TASS in English 1918 GMT 15 Jan 92

[By TASS correspondents Tamara Zamyatina and Ivan Novikov]

[Text] Moscow January 15 TASS—A group of young Russian parliament members from the "Smyena" (New Politics) faction lambasted the formation of the Commonwealth of Independent States [CIS] in a news conference here today. They enumerated the loss of Soviet property abroad, intensifying problems in the army and mass emigration as just some of the serious consequences of its establishment.

The deputies demanded Russian presidential adviser on nationalities questions Galina Starovoitova, Foreign Minister Andrey Kozyrev and his First Deputy Minister Fyodor Sholov-Kovedyayev assume personal responsibility for their mistakes in inter-governmental and internationalities relations.

Parliament Council Backs Law on Exchanges

OW1501231292 Moscow INTERFAX in English 2100 GMT 15 Jan 92

[Transmitted via KYODO]

[Text] The Russian parliament's Council of Nationalities has approved, at the first reading, the draft law on commodity exchanges and exchange trade.

According to it, commodity exchanges may be engaged in any activity, including the extension of transportation, dispatching, storing, information, publishing and promotion services, with the exception of production, as it is not connected with exchange trade. Also, they have been granted the right to fix the size of fines imposed on and dues and payments levied from its members and other participants in exchange trade.

Chairman of the Committee for Anti-Monopoly Policies, Mr. Valeriy Chernogorodskiy, told IF [INTERFAX] that the law on commodity exchanges, alongside other laws, will put economic development on a civilized footing because, he said, in the absence of laws, market relations may lead to a situation even worse than the command-and-administer system.

Mr. Chernogorodskiy said that his committee was completing the list of entreprises enjoying the monopoly right to produce and I specific goods. [sentence as received] These enterprises, he said, will have to declare new prices, backing them with detailed financial and economic substantiation.

The enterprises figuring in this list will be denied the right to cut down the volume of output which remains in short supply, or lower its quality. Mr. Chernogorodskiy remarded that the work of monopoly enterprises will be regulated by a law protecting the rights of consumers, whose draft version had been approved at the first reading.

White House 'Exclusive' Residence of Parliament

LD1401031592 Moscow TASS International Service in Russian 1730 GMT 13 Jan 92

[Text] Moscow, 13 Jan (TASS)—From today, the Russian White House is becoming the place of residence for only one state institution—the Supreme Soviet. The presidential services are now situated in Kremlin, the official residence of the president, the government services are housed in the complex of buildings of the former CPSU Central Committee. As is said in the Russian Supreme Soviet press center report circulated today, the new realities in our country will, probably, lead to changes in the Russian political vocabulary. Staraya Ploshchad will certainly aquire a ring of political power, the Kremlin will now be unequivocally associated with the Russian president, and the Russian White House with legislative power—the Supreme Soviet.

'Commissars' To Liaise With Local Authorities

PM1401125092 Moscow IZVESTIYA in Russian 13 Jan 92 Morning Edition p 2

[Sergey Chugayev report on interview with Vladimir Shumeyko, deputy chairman of Russian Federation Supreme Soviet; place and date of interview not given: "Parliament Appoints Commissars in the Provinces"]

[Text] In the coming days, in addition to the "seigneurial eye" that is already functioning in Russia's administrative centers in the shape of the institution of plenipotentiary representatives of the president, a "parliamentary eye" will also appear. As Vladimir Shumeyko, deputy chairman of the Russian Federation Supreme Soviet, reports, a list has already been drawn up of plenipotentiary representatives of the Russian parliament—Russian Federation people's deputies—in virtually all the autonomous republics, krays, and oblasts of Russia. There are vacancies for commissars, for understandable reasons, only in Kabardino-Balkaria and Chechen-Ingushetia.

The activity of the plenipotentiary representatives will be coordinated by a special group that was set up 2 January at the Russian Supreme Soviet on the instructions of Ruslan Khasbulatov. The group's main task is to assist the government in the implementation of economic reforms. And first and foremost to work on radical solutions to the socioeconomic problems that arise. The group, which Vladimir Shumeyko heads, includes parliamentarians, economists (including Vladimir Ispravnikov, chairman of the Russian Higher Economic Council), and representatives of law enforcement bodies. The powers given to the group are not very different from those that the Russian Supreme Soviet Presidium has.

During our meeting Vladimir Shumeyko stressed repeatedly that the group he heads should not be regarded as anything like a "fire brigade" for extinguishing conflicts. Its aims are to ensure a unified legislative base for reforms—to coordinate laws, presidential decrees, government resolutions, and other normative acts and formulate regional reform policy—and to provide predictions of the consequences of reforms for each specific region, as well as recommendations to the government. Therefore the main role of the plenipotentiary representatives of parliament will be to ensure constant two-way communications between the White House and the local soviets. The commissars will bring the laws, decrees, and resolutions adopted in Moscow to the attention of local authorities, explain and interpret them, and monitor their implementation. And the group should receive reports from them on how these laws and decrees are working and how the population is reacting to them. According to Vladimir Shumeyko, both the government and the Supreme Soviet Presidium of Russia are today suffering from an acute shortage of information on how the reform is going in the provinces, and therefore it is hard for them to make adjustments to it. At the same time it can be concluded from his words that the formation of the parliamentary group is in no way an attempt to form a kind of alternative to the government, but has the sole aim of providing practical assistance in the implementation of reforms.

The initial results of the group's activity were examined a week after its formation. As a result it was proposed to send a letter to Yegor Gaydar and Anatoliy Chubays, chairman of the Russian State Committee for Property, recommending that the phased privatization of retail and wholesale trade be abandoned, and that it be carried out simultaneously. The Russian Prosecutor's Office is instructed to investigate the fulfillment of the Russian president's decree on commercialization of trade (according to available information, the majority of state stores are still totally dependent on auctions). Consideration was also given to the well-known situation whereby a billion rubles are printed in Russia every day, yet there is still a shortage of cash. It is probable that as a result of this examination a presidential decree will be drawn up in the near future on compulsory use of cash registers (all transactions to take place through cash registers in order to provide for monitoring by the tax inspectorate), as well as a government resolution on the maximum possible use of checks in accounting.

Of course, only favorable emotions are prompted by such readiness on the part of the legislative power to support the executive power in its initiatives. All the same, it is hard to avoid the impression (and the formation of the group is not the only reason for this) that parliamentary structures are increasingly taking on government functions. Questions also arise about the "commissars." "In the provinces," as we call it, the president's plenipotentiary representatives are already at work. Now parliament's plenipotentiary representatives are to join them. It cannot be ruled out that plenipotentiary representatives of the government will soon join them too. It has become known that the Russian Cabinet of Ministers has also set up its own "quick reaction group."

Vladimir Shumeyko is confident that the plenipotentiary representatives will not compete with one another, but cooperate. God grant that it is so. But one cannot but sympathize with the local authorities. Imagine trying to decide which of the plenipotentiary representatives has the most powerful powers and whose recommendations should be heeded first and foremost. And will the local authorities be needed at all, with such an abundance of commissars?

Regional Affairs

Moscow Chief on Retail Trade Privatization

LD2101151492 Moscow TASS in English 1314 GMT 21 Jan 92

[Text] Moscow January 21 TASS—At least 8,000 small retail stores, all services, taxis and several industrial plants will be privatised in Moscow by summer, according to the head of the city administration.

"We know how to do this," Yuriy Luzhkov, who has completed forming his new executive team said in an interview with the MOSKOVSKIY KOMSOMOLETS newspaper.

Last Saturday [18 January] the new city government was introduced to Mayor Gavriil Popov. Although Popov rejected some candidates, the official presentation of the

new executive will be made in the next few days. The old government resigned on January 9.

The body has been slimmed by 25 per cent, it will be reorganised into departments of economic reforms, territorial management, urban development, city management and social protection, according to Luzhkov.

The new government faces an uphill battle in improving city life, he admits. "It is necessary first to create realistic conditions for the start," he recently told the KURANTY newspaper.

Tatarstan Leader, Minister Lead Russian Talks

OW2101163492 Moscow INTERFAX in English 1315 GMT 21 Jan 92

[Transmitted by KYODO]

[Text] A new round of talks between Tatarstan and the Russian authorities began on Tuesday [21 January]. President Mintimer Shaimiyev of Tatarstan and prime minister Muhammad Sabirov arrived in Moscow for the talks, and chairman of Tatarstan's parliament Farid Muhametshin is expected to attend too.

A separate parliamentary group composed of deputies and members of Tatarstan's Government is discussing taxation and budget matters.

Tatar Minister on Oil Deliveries to Russia

LD2101232192 Moscow POSTFACTUM in English 1105 GMT 14 Jan 92

[From the "Politics" section]

[Text] Muhammad Sabirov: Possible violations by the Russian Government of the December agreements on Tatar oil deliveries may worsen our relations with the Russian Federation. The Tatarstan prime minister told PF [POSTFACTUM] that Renat Galeyev, general director of the TATNEFT [Oil Industry Production Association of Tatarstan] amalgamation, on January 13 told him that, according to information he had a decree had been prepared and, possibly, even signed in Moscow by Russian President Yeltsin, under which the Russian Federation would control 80 percent of the oil produced by Tatarstan in 1992, while 20 percent will remain at the disposal of the oil extracting territories.

In this instance, Tatarstan will have at its disposal but 5.6 million tons of oil, with a coordinated annual production of 28 million tons. The prime minister believes that this amount, too, will be reduced by another 40 percent, which sum was taken away already under the Gorbachev administration to service the USSR external debt. Thus, TATNEFT and the republican cabinet of ministers will be left with only 3.36 million tons. We are by no means going to agree to that.

Under the agreements reached on December 6, 1991 in Moscow between the governments of the Russian Federation and Tatarstan, 13.8 million tons of Tatar oil were to remain in the republic, while 14.2 million tons were to be supplied to Russia. The Tatarstan share was allotted by these agreements in the following manner: 5 million tons—for export, 2.1 million tons—to service the USSR external debt, 3 million tons—to provide the republic with motor fuel, 3.7 million tons—to satisfy the requirements of the Nizhnekamskneftekhim [not further identified]. The agreements were signed by Vice Prime Minister of the Russian Federation Yegor Gaydar and Tatarstan Prime Minister Muhammad Sabirov. It was widely publicized in the republic. Neither I, nor President Shaymiyev, nor the collective of TATNEFT are going to accept another decision. I will do everything so that the new—unjust—decision would not affect Tatarstan, Sabirov said. He does not rule out using any means of fight against the possible revision of the December agreements. It may be a suspension of part of production, but, in doing so, both sides will suffer damages. For us, it would mean making thousands of people unemployed.

What, then? Close down the gate valves of the Druzhba pipeline to stop the flow of our oil? But Russia should know that Tyumen oil is also passing through our territory. Why do we need it, then: to accept what does not belong to us, in order to ruin our own nature? Oil is not ozone. So, we would be forced to close that down, too. For many oil refineries, which are already not working at full capacity, it would be a complete disaster. But this way is not a proper one, said the republican prime minister. Sabirov expressed his readiness to use a civilized way, as has been used in relations with the government of the Russian Federation until now. All my aspirations are to avoid any complications in our relations with Russia, Sabirov added.

Tatarstan Leader Schedules Jun World Congress

OW2301220292 Moscow INTERFAX in English 1858 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] Tatarstan's President Mintimer Shaimiyev issued a decree on the holding in Kazan of a World Tatar Congress next June. The committee for the preparation of the congress will be headed by republican premier Muhammad Sabirov.

The forum is aimed to reflect the desire of the Tatars to revive their language, culture and traditions and to develop economic and cultural ties with compatriots living abroad.

Tatarstan, Kemerovo Oblast Sign Treaty

LD2301190692 Moscow Programma Radio Odin Network in Russian 1200 GMT 22 Jan 92

[Text] A treaty on socioeconomic ties and the development of national culture has been signed between the

republic of Tatarstan and Kemerovo Oblast. In keeping with this treaty, Tatarstan will buy coal, ferrous metal, rails, pipes, ball bearings, cement, and crockery. At the same time, it will sell petroleum products, polyethylene, footwear, cars, tires, and refrigerators to the Kuzbass. Because more than 100,000 Tatars live in the Kuzbass, the republic will seek to improve the qualifications of teachers of the Tatar language and literature from Kemerovo schools and provide them with study aids. It is also expected that there should be exchanges of guest artists, television and radio programs, and exhibitions.

South Kurils Forces Cut by 30 Percent

PM2301155392 Moscow KRASNAYA ZVEZDA in Russian 22 Jan 92 p 3

[Untitled report from the "We Have Learned...." column]

[Text] The commitment to cut our forces stationed on the four South Kuril islands by 30 percent has been carried out.

The cut was announced last May by Colonel General V. Novozhilov, commander of the Far East Military District, during his visit to Japan.

Komi Protests Power Demarcation With Russia

LD1201040192 Moscow Russian Television Network in Russian 1800 GMT 11 Jan 92

[From the "Vesti" newscast]

[Text] The Committee for the Rebirth of the Komi People has adopted a statement in which the draft treaty on the demarcation of powers between Russia's federal authorities and the authorities of former autonomous entities is condemned. In a special letter sent to the Russian leadership, the committee members explain their position by the fact that the draft treaty in fact annuls the declaration on the state sovereignty of the Komi Republic and also a number of decisions of its parliament and that it contradicts the final documents adopted by the congresses of the Komi people. It is the committee's view that the draft treaty is underpinned by the former ideology of the relations between the center and republics and by the center having all the power and all property.

[Begin Committee Deputy Chairman V. Kanayev recording] I think that Tatarstan shows us a good example here. It concluded an economic agreement with Russia. We are not for separation from Russia, under any circumstances. However, what is necessary is for our economic issues to be tackled by us, together with Russia, on the basis of a mutual treaty. [end recording]

Yakutia Says Russia Reneging on Yeltsin Decree

OW1901184592 Moscow INTERFAX in English 1345 GMT 18 Jan 92

[Transmitted by KYODO]

[Text] Yakutia's government delegation which has returned from Moscow this week believes that the Russian government has called in question the expediency of implementing Boris Yeltsin's decree on giving Yakutia additional powers in handling its natural resources.

Chairman of the Yakutian parliament's Commission for Planning, Budget, Finances, and Taxes, Mr. Nikolay Fedorov told the newspaper Yakutia that the center insisted on reviewing the issue of Yakutian diamonds and intended to keep this republic's transportation and other vitally important branches under control.

The federal government has also decided, said Mr. Fedorov, that 65 per cent of the republic's taxes would go to the federal budget (the previous decision was to leave all of them to Yakutia). The Yakutian representative qualified the current course of the Russian leadership as a violation of Yakutia's political sovereignty and economic independence.

Shokhin Visits Severodvinsk Defense Plants

LD2001141392 Moscow Radio Rossii Network in Russian 1100 GMT 18 Jan 92

[Text] Russian Federation Deputy Prime Minister Aleksandr Shokhin has been acquainting himself this morning with the state of affairs at Severodvinsk defense enterprises. The whole economy of this White Sea town is practically locked into the construction of nuclear submarines. The reduction in military orders and the general economic crisis is putting the submarine-building town in a most difficult situation.

The Russian deputy prime minister arrived in the Arkhangelsk North late last night. Aleksandr Shokhin will today take part in the work of a conference of Arkhangelsk Oblast enterpreneurs.

Kaliningrad Sets Up Border Customs Regime

LD2101051192 Moscow Mayak Radio Network in Russian 2200 GMT 20 Jan 92

[Text] In response to powerful ruble [R] inflation on the part of the Baltic states, Kaliningrad Oblast—Russia's westernmost oblast—has introduced customs on its border with Lithuania. In a short period of time over 1,500 tonnes of freight were halted there; it was removed from Lithuania illegally and included meat, smoked products, fish, sea products, and construction materials in short supply. Foodstuffs to the amount of R100,000 that had been deliberately concealed were confiscated.

The head of the oblast administration has issued instructions to close the border crossing with Poland, to where foodstuffs and goods worth millions of rubles were also removed.

Tula Awaits Decision To Sell Arms Abroad

LD2101224692 Moscow TASS in English 2006 GMT 21 Jan 92

[By CRIMEPRESS correspondent Valeriy Rudenko]

[Text] Tula January 21 TASS—Will Tula, a town located 200 kilometers to the south of Moscow, sell arms? This question is more and more often asked in the town of famous arms workshops established back in the 17th century under a decree of Peter the Great.

It is not the production of Tula hunter's double-barrelled guns that is being discussed, but making of modern arms—Kalashnikov rifles, under barrel grenade launchers, their ammunition and various combat materiel.

The defence industry is the basis of the Tula region's production potential. Up to 60 per cent of enterprises are in this or other way connected with arms production in Tula alone.

If Tula arms plants receive the right to sell their products on their own, they may have large hard currency proceeds and better food and goods supplies. A year ago, the majority of Tula residents rejected the idea of direct arms sales. Now that the Soviet Union has disintegrated and the social-economic situation has sharply deteriorated, their opinion has crucially changed.

The Russian Government's delay in granting the Tula region a licence on arms sales leads to the situation when unique equipment worth hundreds of millions of dollars stays idle and wears out, specialists leave the enterprises, and production relations with plants in other cities and republics break, believe deputies of the Tula Town Council.

"Tula is on the verge of social explosion," said director of the former cartridge plant "Shtamp" Valentin Mitin.

Kabardino-Balkariya Denies Gamsakhurdia Support

LD2301103992 Moscow Mayak Radio Network in Russian 1030 GMT 22 Jan 92

[Text] Two reports connected with the events in Georgia:

Nalchik—the recent address by the Georgian president broadcast on the "Vesti" channel has puzzled the population of Kabardino-Balkariya. At the request of a TASS correspondent, yesterday evening the government of the republic, headed by President Valeriy Kokov, denied the absolute myth that Kabardino-Balkariya backs the regime of President Gamsakhurdia.

They believe that the "Vesti" information was fabricated and intended to destabilize relations between Russia and Kabardino-Balkariya.

Recently, emissaries from Georgia visited Kabardino-Balkariya in an attempt to whip up hostility between the Kabardins and Balkars and to create conflict between the republic's peoples. These visits by Georgians are being condemned in the mountain region.

Tyumen Introduces Bread Coupons

LD1801210192 Moscow Radio Rossii Network in Russian 1300 GMT 18 Jan 92

[Text] Tyumen is the first oblast city in Siberia to introduce bread coupons. This was stated at a news conference by Gennadiy Raykov, mayor of the city. Six hundred thousand coupons for the whole of the first quarter of the year are already being printed in a local printing house. Only cheap grades of bread will be sold for coupons.

According to RIA, the norm is 200 grams per day. More expensive grades of bread will be sold without restrictions. At the same time the mayor's office in Tyumen established a maximum price on an 800 gram top quality loaf at 4 rubles 20 kopecks.

Servicemen Protest Urals Plutonium 'Superdump'

PM2201163392 Moscow ROSSIYSKAYA GAZETA in Russian 22 Jan 92 First Edition p 1

[Unattrbiuted report under "News" rubric: "Military Against Plutonium Storage in Urals"]

[Text] It has been proposed that a superdump for the storage of refined plutonium be built in the Urals. This news, published by URALKSIY RABOCHIY [URALS WORKER], was announced at a meeting of former servicemen who took part in various nuclear tests on the country's territory. The ex-servicemen demanded that this construction work be prevented, that all nuclear tests be halted, and that they be given the same status as the people of Chernobyl.

Urals 'Working Class' React to Reforms

LD2101042792 Moscow Russian Television Network in Russian 1100 GMT 20 Jan 92

[From the "Vesti" newscast]

[Text] Sausage, tobacco, meat, water, and other rebellions [bunty] are being repeated with enviable [as heard] constancy in the major Urals city, expressed by the blocking of the city and oblast roads. The inhabitants of Perm, harassed in lines, overstrained by constant delays in payment of wages, and weighed down by the latest price increases, basically working class workers of the numerous defense plants are ceasing to believe in the quick, complete, and decisive victory of capitalism. Many experts consider that the proletariat of the Perm

and the Urals is being lumpenized. It is well known that the Lumpen-proletariat's favorite weapon is not the word, but the stone.

Kamchatka's Economic Situation Deteriorates

OW2201150392 Moscow Central Television First Program and Orbita Networks in Russian 2000 GMT 3 Jan 92

["Utro" video report by V. Plotskiy from Kamchatka]

[Text] The geographic and economic setting of Kamchatka is such that its survival under present conditions, as well as its entering the market, is a much more painful process than in regions such as the Urals or Kuzbass. Our reporter Vasiliy Plotskiy reports on this from Petropavlovsk Kamchatskiy.

[Begin recording] [Plotskiy] This is indeed so. One of the reasons is that many thousands of kilometers separate us and the main industrial and agricultural regions. Under circumstance created by history, Kamchatka has been for centuries and remains today a mere appendix to Russia, supplying it with raw materials. The only thing shipped from here is fish and fish products. Everything else is brought in—everything from nails to derricks, and mainly by sea.

However, because of a lack of fuel, tens of fishing and transportation ships have been moored for months, the Petropavlovsk Kamchatskiy Airport has been at a standstill for weeks, and the energy and heat plants are working at half-strength. In short, the disintegration of traditional funding supplies has forced the oblast into a cruel economic blockade.

The administration of the Kamchatka oblast resorts to two courses of action to try and provide the internal market with the necessary goods and assure a stable supply of building materials, machinery, and fuel to the peninsula's national economy. The first is the slow but sure establishing of economic ties with krays and oblasts of all of the former Soviet Union. The second is an attempt to establish direct economic and cultural ties with foreign partners. On the eve of the New Year, a new shop under joint Soviet and foreign ownership, the first of its kind here, is about to open in Kamchatka. Goods will be sold here for both rubles and dollars. [Video cuts to show interview with S. Timoshenko, Deputy Chief of Kamchatka Administration]

How shall we live from now on, how will the residents of Kamchatka spend the winter?

[Timoshenko] Speaking of supplies to the public in general, I would like to mention foodstuffs first of all. The delivery of goods to Kamchatka is probably no better than to other regions, which receive subsidies. I think that while we will not be able to improve the supply, we will be able to keep it at the present level, thus enabling the populace to lead normal lives during the winter. I think we can provide living standards at the 1991 level in the near future.

There is one very urgent question in Kamchatka, and that is providing the people with heat, electricity, and fuel. Today, the supply of fuel, such as diesel fuel, aircraft fuel, and gasoline—well, one fails to see any solution to the difficult situation in the oblast.

Compared to last year, we have already lost 10 percent of our fleet; it has become physically obsolete. Also, 10 percent of the fleet which delivers goods to Kamchatka will be taken out of use. It simply cannot be used any more, since the safety of the crew can not be assured. [end recording]

Security Official Notes Drugs in Far East

LD2201000992 Moscow POSTFACTUM in English 1105 GMT 14 Jan 92

[From the "Politics" section]

[Text] There is no drugs business in the Far East, believes deputy head of the Far-Eastern Department of Anti-Drugs Service, Division of Russian Security and Interior Ministry's Criminal Police.

According to Yuriy Kolotvin, deputy head of the department, there are only several separated groups of hemp-collectors in the Far East. However, in a couple of years a narcomafia may emerge and inevitably there will be businessmen wishing to place it under their control.

On January 13 Yuriy Kolotvin told PF [POSTFACTUM] that there is no need to fight with drugs addicts. First of all everything is to be done for all people to be materially well-off because at present most drugs addicts are children or those coming from the social bottom. According to department officers, nearly 40-50 percent of secondary school students in the Far East have tried to use drugs and liked it. Yuriy Kolotvin could not produce any further reasons for drug addiction and refused to comment on the situation in local drugs business.

One of the officers of the anti-drugs department with the Khabarovsk regional branch of the Federal Security Agency (former KGB) told PF that lazy fat-assed ones sitting in the criminal police do not know drugs other than hemp and control only 12-14 year-old teenagers. The same officer, who preferred to remain anonymous, believes that the Far-East has the most developed drugs mafia in Russia connected with the countries of South-east Asia.

International Affairs

Notes Exchanged With U.S. on Relations

LD2301174892 Moscow TASS International Service in Russian 1609 GMT 23 Jan 92

[By UKRINFORM-TASS correspondent Sergey Bibik]

[Text] Kiev, 23 Jan (TASS)—Ukraine's Foreign Affairs Minister Anatoliy Zlenko and Jon Gundersen, U.S. charge d'affaires ad interim in Ukraine, exchanged notes today on establishing diplomatic relations between the two countries. In Anatoliy Zlenko's view, this act creates the necessary basis for the further development of cooperation for the good of the two states and people. It is expected that the sides will adopt a decision in the very near future on exchanging ambassadors.

Rukh Leader on Ambassador

OW2301173792 Moscow INTERFAX in English 1637 GMT 24 Jan 92

[Transmitted via KYODO]

[Text] Ivan Drach, leader of the Ukrainian national movement Rukh [Ukraine People's Movement for Perestroyka], said in an interview with Ukrainian TV that former U.S. State Secretary Kissinger and former U.S. presidential national security advisor Brzezenski had been considered as possible candidates for U.S. ambassador in Ukraine.

Commentary on Tehran Relations, Arms Sales

NC2401110592 Moscow Radio Moscow in Persian to Iran 1330 GMT 23 Jan 92

[Sergey Viktorov commentary]

[Text] Diplomatic relations have been established at the ambassadorial level between Iran and the Ukraine. Our commentator Sergey Viktorov writes:

Before diplomatic relations were established between Tehran and Kiev, Iran's Foreign Minister 'Ali Akbar Velayati was welcomed at the highest level when he visited the Ukrainian capital. Ukrainain President Leonid Kravchuk told the Iranian guest that the Ukraine wants to establish profound, good relations with Iran. The president feels that the Iranian foreign minister's visit can lead to joint activities benefiting both countries.

In Kiev, the foreign ministers signed a protocol on diplomatic relations, while Velayati and the Ukrainian economy minister signed a memorandum of understanding, which is apparently the most important element in future relations between Iran and the Ukraine. The Ukraine needs oil, particularly significant now that its biggest supplier Russia has, for various reasons, be they private or specific, reduced oil exports to the Ukraine.

The Ukraine can offer Iran goods, among them raw materials, primarily manganese ore, and industrial installations. The Ukraine will probably be able to export foodstuff to Iran.

The sale of arms is a separate issue. The Ukraine, which quickly started to form its national armed forces, has a lot of arms, since there are three military areas on its territory. Ukraine defense industries, inherited from the former Soviet Union and which are now suffering losses because of a reduction in orders, are large. But the arms trade is not as simple as trading raw materials and machinery. If Kiev decides to sell arms abroad, namely to Iran, it must inevitably coordinate with the Commonwealth of Independent States [CIS], and initially with Russia. The world community, in which the Ukraine is apparently seeking a suitable position, is carefully following changes in the world arms market.

No one should be jealous or suspicious of direct relations being expanded between the Ukraine and Iran, on one condition: Kiev and Tehran should not cooperate against a third country, especially not one within the CIS [Commonwealth of Independent States].

Tehran's acts are logical, because new independent countries have been formed and there is interest in expanding relations with them. Why should it not take steps to expand these relations? No one will be surprised, considering it a natural step, if tomorrow Iran wants to expand relations with Belarus, the Ukraine's northwestern neighbor, or with the small republic of Moldava. These republics can export various goods to Tehran under economic cooperation.

CIS leaders should be asked: What is your objective in establishing relations with foreign countries? If you are doing so for the sake of cooperation, that is one issue. But if relations are established to solve fleeting political problems, at the expense of others, then that is different.

Protocol on Diplomatic Ties With SRV Signed

LD2301204392 Moscow TASS International Service in Russian 1509 GMT 23 Jan 92

[By UKRINFORM correspondent Aleksey Trotsenko for TASS]

[Text] Kiev, 23 Jan (TASS)—A protocol on the establishment of diplomatic relations between Ukraine and the Socialist Republic of Vietnam and the exchange of diplomatic representatives at embassy level was signed here today.

Diplomatic Relations Established With Mongolia

LD2201021792 Kiev Radio Kiev International Service in Ukrainian 2000 GMT 21 Jan 92

[Text] From now on Ukraine will have diplomatic relations with Mongolia. The agreement on their establishment was composed today in Kiev. The document was signed for the Mongolian side by Nyamyn Mishigdorj,

ambassador extraordinary of that country to the Russian Federation, and from the Ukrainian side by Mykola Makarevych, first deputy foreign minister of the republic.

National Affairs

Defense Official on Oath, Shaposhnikov Message

OW2301200992 Moscow INTERFAX in English 1858 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] Ukrainian Deputy Defense Minister Ivan Bazhan described the position of the command of the Commonwealth Armed Forces as contempt for independent Ukraine's legitimate right to have its own armed forces. According to Bazhan, the headquarters of the Black Sea fleet received a coded message from Marshal Shaposhnikov demanding that the new draftees swear allegiance to the Commonwealth. Bazhan said that the new replacements are mostly Ukrainian and must swear allegiance to Ukraine only.

According to the deputy defense minister, today ⅔ of the servicemen in Ukraine's armed forces have sworn allegiance to Ukraine, including more than 90% of commissioned officers and generals. Of the top commanders, only district commanders Colonel- Generals Ivan Morozov, Victor Skokov and Victor Chechevatov and the Commander of the Black Sea Fleet Igor Kasatonov refuse to swear allegiance to Ukraine.

Bazhan said that the withdrawal of tactical nuclear weapons from Ukraine is going on schedule. As of January 23, 30% of all tactical nuclear weapons had been withdrawn from Ukraine. [Moscow Radio Moscow World Service in English at 2200 GMT on 22 January carries a similar report which adds the following: "The Ukrainian parliament's Committee for Defense and State Security has said that the process of forming an independent army was going on very fast. Tactical nuclear arms have begun to be withdrawn, and the program for eliminating strategic nuclear arms is being developed. Ukraine seeks to go nuclear-free by the year 1994."]

Military Districts Oath Statistics Viewed

PM2101165592 Moscow KRASNAYA ZVEZDA in Russian 21 Jan 92 p 3

[Reports by Colonel V. Kaushanskiy, Colonel N. Mulyar, and Colonel V. Bogdanovskiy under the general heading: "The Choice Has Been Made, The Oath Has Been Taken, Next—the All-Ukrainian Officers' Conference"]

[Text] [Kaushanskiy report] The Ukrainian state anthem was played, a toast in honor of the republic's people proposed, and the ceremonial trooping of the Combat Banner performed—it was with this military ritual that the swearing in of generals, officers, NCOs, and extended-service volunteers of the staff, directorates, and services of the Kiev Military District in the great hall of the Kiev Military District military council 18 January was completed. During the day staffs of large strategic formations, air defense communications forces, support and service subunits, and military colleges also signed the text of the oath. The oath of allegiance to the Ukrainian people was taken by 99.4 percent of generals, officers, NCOs, and extended-service volunteers.

Colonel General Viktor Chechevatov, commander of the district's troops, did not take part in the ceremonies. Because of bad weather the aircraft on which he was traveling together with participants in the All-Army Assembly was delayed at Moscow airport.

"I think that the painful problem of choice which faced the majority of our generals and officers has already ceased to be urgent," Lieutenant General V. Boriskin, district chief of staff, said in conversation with your correspondent. "Almost 100 percent of them have linked their future to that of the Ukrainian people. Only a few people have decided to conclude an agreement with the republic's Defense Ministry and serve under contract. Namely, those who in the future will return to their homes, to Russia or other states of the CIS, and who have families and accommodation there."

In the near future it is planned to hold an All-Ukrainian Officers' Conference in Kiev. This was announced on republic television on 17 January by Colonel General K. Morozov, Ukrainian defense minister.

[Mulyar report] Troops of the Odessa Military District have completed the taking of the Ukrainian oath. At the district's cadre directorate I was given the following statistics. In all 70.2 percent of officers and 85 percent of NCOs have taken the oath. Some 9.3 percent of officers and 4.2 percent of NCOs refused.

For various reasons 19 percent of officers and 9.9 percent of NCOs did not take part in the oath-taking ceremony.

Among generals and officers of the district's directorate and staff, almost all have taken the oath except Lieutenant General L. Kovalev, Russian Federation people's deputy and Odessa Military District chief of staff.

Colonel General I. Morozov, district commander, did not take the oath, unlike his first deputy, Lieutenant General Yu. Kuznetsov. Possibly this was because of illness. Furthermore, it is not ruled out that Ivan Sergeyevich will take the oath Tuesday at the Ukraine Defense Ministry's military college in Kiev, where commanders of the Kiev, Odessa, and Carpathian military districts have been invited.

[Bogdanovskiy report] As reported at Carpathian Military District headquarters, 77.7 percent of officers, NCOs, soldiers, and sergeants of the district have taken the oath of allegiance to Ukraine, including the chief of staff of the Carpathian Military District.

The commander of the district's troops and his first deputy have not yet made a final decision.

Commander Assesses Role of National Guard

PM2401095692 Moscow SOVETSKAYA ROSSIYA in Russian 24 Jan 92 p 1

[Interview with Major General V. Kukharets, commander of the Ukrainian National Guard, by special correspondent S. Shevtsov in Kiev; date not given: "May Common Sense Prevail"—first three paragraphs are SOVETSKAYA ROSSIYA introduction incorporating reader's letter]

[Text] "I have been watching not merely with anxiety, but with grief how our Soviet Army—our last defense—is being wrecked before our very eyes. Meanwhile in the republics they are hastily forming national guards. Against whom? And why 'national'? Does that mean that only soldiers of the indigenous, 'main' nationality will serve in them?

"Ukraine was the last place I expected to take such steps..."

While sharing the concern of our reader N. Skachkov from Krasnoyarsk Kray, we cannot but recognize that there are certain facts today that must be reckoned with. One of them is the formation of national guards in the republics. But this is sometimes happening spontaneously and unlawfully, and that causes natural misgivings in millions of people.

[Shevtsov] Vladimir Alekseyevich, can the Ukrainian National Guard be said to be a reality, rather than merely a declaration?

[Kukharets] The republic Supreme Soviet has adopted a law on the Ukrainian National Guard and its manpower acquisition. The command has been appointed and the structure approved. Full financing has been opened up, from the republic budget. There is a clear definition of which subunits and units of the former internal forces are to figure in the National Guard—operational and militia units. The selection and placing of cadres on the basis of their professional qualities is continuing on a competitive basis. The tasks and functions of the Ukrainian National Guard are equally clearly defined—the defense of citizens' constitutional rights and the independence and sovereignty of Ukraine, the protection of embassies on the republic's territory, the elimination of the consequences of natural disasters, the granting of assistance to border troops in fulfilling certain tasks.

[Shevtsov] What tasks specifically?

[Kukharets] Anything can happen. The detention of border violators, tighter coverage of the border... In the event of an emergency the guard could perhaps fulfill tasks under the auspices of the republic Defense Ministry.

Moscow was initially very cautious about this, but that reaction was only to be expected. The only thing that was an unpleasant surprise for us was the fuss about the swearing of the oath. No one was forcing servicemen to take the oath to Ukraine against their will.

The vast majority of servicemen took the oath with great enthusiasm. I was the first to take it, followed by my deputies, under the yellow and blue flag, to the strains of the anthem "Ukraine Lives On" ["Shche ne vmerla Ukraina"].

We now have normal, businesslike relations with Moscow. Many Ukrainian officers want to transfer from other regions to serve in their homeland and are submitting applications, and let me observe that Moscow considers these wishes carefully and maintains close contact with us.

We do not want to repeat the Georgian pattern in creating the National Guard. We do not and will not have subunits springing up spontaneously. At first, admittedly, there were formations in western Ukraine. But we disbanded these spontaneous paramilitary organizations.

[Shevtsov] Will it be only Ukrainians who serve in the Ukrainian National Guard, or will the "national" be international?

[Kukharets] The Law on the Ukrainian National Guard says that citizens of Ukraine serve in its ranks, irrespective of nationality, religion, and so forth. The question of what language should be the basic language in the National Guard has not been clearly resolved. At the All-Army Conference in Kiev the president stated frankly: Let people use whatever language they can understand one another in.

In the future, we plan to set up schools for servicemen to study the Ukrainian language and the history of Ukraine.

[Shevtsov] How many men have not yet taken the oath of loyalty to Ukraine?

[Kukharets] Some 800 servicemen were unwilling to take the oath—the vast majority of them are soldiers drafted from other CIS [Commonwealth of Independent States] states.

[Shevtsov] How much will an officer of the Ukrainian National Guard get per month, on average?

[Kukharets] One thing is clear: We will not be getting less than before. Ukraine s economic situation is very difficult at present, and it is not acceptable for us to act like extortioners. Social protection, pension provision—everything that servicemen used to have, we have now. When Moscow refused us finance last November, the Cabinet of Ministers immediately took the guard under its own protection—our money was not cut off for a single day.

In the Union, the army was basically trampled underfoot. Its honor and dignity were forgotten. We in the

Ukraine, however, have come to feel that we are protected. The question of boosting the prestige of servicemen in Ukraine is the concern of the president personally and the Cabinet of Ministers.

[Shevtsov] If my memory does not deceive me, the anniversary of the historic Council of Pereyaslavl [resulting in the unification of Ukraine and Russia in 1654] fell recently. What do you think now of Bogdan Khmelnitskiy's behest: with Russia to eternity?

[Kukharets] The creation of the states of Ukraine and Russia should strengthen our relations still further. Ties should not be broken or impenetrable borders built. In no circumstances should peoples be set against one another. We must work with all our might to strengthen military and political cooperation and human ties. After all, we are of one blood. But Russia and Ukraine should be equal, not senior and junior partners... I believe sincerely in the triumph of common sense.

Kravchuk Gives Address on Ukrainians Abroad

LD2301180592

[Editorial Report] Kiev Radio Kiev in English at 2200 GMT on 22 January carries an 11-minute "account" of the address given by Ukrainian President Leonid Kravchuk at a meeting held in Kiev on 22 January. The account includes recorded portions of the address, which fade into English translation. These recorded portions are contained within quotation marks.

Kravchuk first stresses that peace, friendship and accord with other countries are the primary tasks of Ukraine's foreign and domestic policies, and then goes on to note the legislation endorsed by Ukraine's Supreme Soviet guaranteeing the equality of all peoples living in Ukraine. Regarding Ukrainians living abroad, he notes improvements in access to their cultural heritage, but points out that much still remains to be done, particularly in the territories of former Soviet republics.

"At present the Commonwealth is facing serious trials. New ways and principles of relationships are being prospected. We do believe in the triumph of wisdom, thoughtfulness, responsibility for the actions of the peoples and their political leaders. We have to learn how to live as independent states, to respect each other, to make good to each other. We have to show peaceful strivings of our people after the destruction of the empire. That is why Ukraine, being the third nuclear power in the world, wants to become a non- nuclear state. We are forming our own armed forces exclusively for Ukraine's defense, for the protection of its frontiers and national interests. We reject all kinds of insinuations aimed at presenting Ukraine as a state which has military intentions. Our sons and daughters will never step on a foreign land as conquerors or aggressors. We shall not allow bloodshed in the conflicts between peoples. At the same time we painfully perceive any manifestation of imperial thinking, encroachments on our young freedom.

"Independent Ukraine will never allow anyone to dictate its will upon it. We shall solve all disputable issues at the negotiating table. We shall never encroach upon sovereign rights of other states, but we shall also defend our own interests."

Kravchuk goes on to consider the need for a state program providing practical assistance for Ukrainians living outside Ukraine.

"We must take care of a single Ukrainian information space. In any place of the former USSR, Ukrainians should have an opportunity to listen to Ukrainian radio and television programs. For this purpose we are going to radically increase our broadcasting capacities involving satellite communications and also the first channel, now engaged by the former Central Television. If need be we shall appeal for assistance of our foreign friends and their technical possibilities."

Continuing this theme, Kravchuk notes the republic is expected to furnish written and audio material to Ukrainian schools and libraries in regions densely populated by Ukrainians, and recalls the need for trained specialists for educational establishments in these areas. In conclusion, he notes there is a need to support businessmen of Ukrainian descent living within the borders of the former USSR, and also stresses that Ukraine will always take care of its citizens.

Decree Approved on Coupon Counterfeiting

OW2301173892 Moscow INTERFAX in English 1637 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] The presidium of Ukraine's parliament confirmed on Thursday [23 January] a decree making the counterfeiting of multiple-use coupons, their marketing and theft a criminal offense.

Donetsk Residents Bring Cash to Banks

LD2301151492 Moscow TASS in English 1417 GMT 23 Jan 92

[Report by UKRINFORM correspondent Nikolay Stolyarov]

[Text] Donetsk January 23 TASS—"We pledge to fulfil the five-year plan in one day"—this old motto of the socialist past was for the first time implemented in Ukraine on Thursday [23 January], when residents of Donetsk rushed to the local saving banks in a bid to save their rouble earnings. The amount of cash they brought to the banks in one day equals the sum which used to be deposited in five years.

Ukraine introduced coupons, which will gradually replace the rouble as national currency. But Ukrainians, who are receiving two-thirds of their wages in roubles, cannot buy anything with the "old" currency and are afraid the money will be gradually lost. As people still

trust the state, they hurried to put the roubles in state accounts in hope to later change them for coupons.

Thousands of people queue long hours to enter a bank. Cashiers do not have time enough to count all the money. People are irritated and the situation in Donetsk is explosive.

Exchanges Adopt, Send Address to Government

LD2201070892 Moscow POSTFACTUM in English 1611 GMT 21 Jan 92

[From the "Politics" section]

[Text] On January 21, 10 Ukrainian southeast exchanges adopted an address to the Supreme Soviet, president and Ukrainian Cabinet of Ministers which contains the demands to consider without delay and adopt laws on denationalization and privatization, demonopolization, a package of anti-monopoly laws, abolish all normative acts, obstructing the development of market structures and braking business activity of Ukrainian entrepreneurs, establish a tax regime favorable for entrepreneurship.

The address stresses: we regard the above-mentioned problems to be of top priority in contrast to any ideological, and political issues inside Ukraine and at interstate level. Slow rates in resolving their primary tasks against the backdrop of an aggravated socio-political situation will be deemed by the population either as incompetence of the authorities or as an attempt to draw the attention of the citizens to artificially swollen political problems, which will destabilize the situation still more and may result in unpredictable consequences both for the economy and Ukrainian people. The address is signed by representatives of Donetsk CE, Dneprovsk CSE, Zaporozhye CE, Lugansk CCE, Mariupol GE, Inter-Regional Agroindustrial Exchange, Nikopol Exchange of Agricultural Goods Nikopolis, Pridneprovskaya CE (Dnepropetrovsk), CSE of mining and metallurgical enterprises (Krivoy Rog) and Southern General Exchange (Nikolayev).

Further Reportage on Miners' Strike Situation

'Desperate Attempts' Made

LD2201112492 Moscow TASS in English 0857 GMT 22 Jan 92

[By UKRINFORM correspondent Anatoliy Gordeev]

[Text] Donetsk January 22 TASS—Ukraine is undertaking desperate attempts to provide local coal mines with the necessary mounting hardware to keep them functioning. The government decided to restructure the republican wood processing factories to produce the necessary mining hardware, the Ukrainian coal industry Trade Union sources told UKRINFORM-TASS on Wednesday [22 January]. It was also decided to start producing mounting hardware from metal, as Ukraine does not have enough wood.

The total coal output in the Donbass mines has dropped drastically since the beginning of the year, as most Russian wood processing factories ceased to deliver the mounting hardware to Ukraine. The wood companies from the Russian cities of Tomsk, Krasnoyarsk, Perm and other towns demand that Ukraine repays them with food for their produce.

As Ukraine refuses to meet the demands, the coal output is constantly going down. This year losses total already 300 thousand tonnes, including 50 thousand tonnes of the cooking coal.

Miners Urge Econonic Action

LD2101052392 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2100 GMT 20 Jan 92

[From the "Novosti" newscast]

[Text] A strike by employees of the auxiliary services at the Yur-Shor completely paralyzed work there for three days and just failed to spread into the Zapolyarnaya mine. At the same time the town workers' committee is confident: There will be no general strikes by miners in Vorkuta in the near future. Yeltsin is trusted here. The adoption of an appeal to Yeltsin and Kravchuk, presidents of Russia and Ukraine, however, can be regarded as the main event in Vorkuta workers' movement.

The appeal has the following background: Donetsk miners had sent an urgent telegram to their Vorkuta comrades in arms asking for miring timber. A half of Donbass mines had come to a halt due to a shortage. Themselves in need, Vorkuta miners scraped up what they could and sent it to Donbass. In their appeal they suggested that instead of carving up the Black Sea the president had better get down to dealing with the economy and restoring the econonic ties of old.

Fuel Shortage Halts Donbass Transportation

LD2001175692 Moscow TASS International Service in Russian 2246 16 Jan 92

[By UKRINFORM correspondent Anatoliy Gordeyev]

[Text] Donetsk, 17 Jan (TASS)—Motor vehicle transportation is paralyzed in Donetsk Oblast. For several days motor fuel has not been arriving in the region, which consumes about 2,000 tonnes of benzine and oil. As a result, more than half of the busesare not going out onto the roads every day and that means that schedules are being broken and passengers are standing idle for hours at bus stops. Fuel reserves have been exhausted. So far, all talks with traditional partners in Groznyy, Volgograd, Tyumen, and Perm have produced no results. Donbass motor vehicle drivers have dispatched groups of their own representatives to those towns to study possibilities for renewing partnership on mutually advantageous conditions. It looks as though hopes for solving fuel problems at a government level have already run dry.

Diamond Deposits in Donetsk Region Discovered

OW2301160892 Moscow INTERFAX in English 1344 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] According to IF's [INTERFAX] sources, diamond deposits have been discovered in the south of the Donetsk region. Experts of the Azov geological expedition assert that the deposits are large enough for industrial mining.

Rukh Leader Views Future of Organization

AU2201183892 Kiev NARODNA HAZETA in Ukrainian No. 1 (30), Jan 92 p 2

[Article by Oles Lavrynovych, deputy head of Rukh: "We Must Clarify Our Position"]

[Text] The questions of our organization's self-determination and identification became topical last spring and began to be a subject of broad discussion at all levels of councils and conferences. The topicality of the question is largely due to the fact that Rukh [Ukrainian People's Movement for Perestroyka], which has emerged as a political organization uniting individual persons, has acquired its own political image, has its own position and aspirations, and is, de facto and de jure, one of the subjects of political life in the Ukraine. At the same time, various attempts to portray Rukh as a totality of political forces is, in my opinion, either a result of a biased reflection of reality or a tactical device in the political struggle.

After the attainment of independence by legal means and the elimination of the Communist Party structures, the significance of this question has further increased. The Ukrainian People's Rukh is an equal factor in the Ukraine's social life, and the loss of individual positions or functions will hardly promote the cause of state revival or state development. Today, alongside functions that are typical of political organizations, Rukh has quite a number of others that are only characteristic of public organizations.

The Ukraine has acquired the status of an independent state. A legal base for the functioning of state institutions and institutions of a civil society is taking shape. In particular, on 8 October, the Ukrainian Supreme Council approved, at first reading, the Law on Associations of Citizens in the Ukraine. Conceptually, this law following world practice draws a distinct line of demarcation between citizens' associations within political and civil organizations. Therefore, from a legal point of view, Rukh cannot further maintain its status as a sociopolitical organization. For that reason, it is difficult to take seriously the calls for leaving everything as it is.

It is time to choose the way in which the organization will develop and to determine our place in political and social life.

I believe that, in order for Rukh not to lose anything and for it to gain prospects for overall development, it must continue its life in two qualities and with two statuses—as a political organization "Rukh" and as a public organization "Ukrainian People's Rukh."

If we give up our political status, this will practically do away with our organizational structures and will transform Rukh from a powerful organization uniting thousands of people into an ordinary club-type organization. The results of presidential elections turned out to be a vivid illustration of the fact that, today, Rukh is a most powerful political organization. Nor will it be possible to transform Rukh into a bloc of political organizations, and for the following reason. At the second congress of Rukh, an attempt, recorded in the statute, was made to permanently unite, under the Rukh umbrella, all those political and public organizations that strived to achieve Ukrainian independence. For a whole year, a year that was a difficult year of struggle to achieve this great goal, not a single organization expressed a desire to proceed along this path. At the same time, there were several attempts to create both permanent and functional blocs of political organizations in which Rukh was offered (perhaps, rightly so) the role of one of their equal subjects. Therefore, even those who call today for uniting all democratic forces within Rukh have long regarded Rukh as a separate subject in the political spectrum of the Ukraine. Also, the overwhelming majority of Rukh members do not belong to other political organizations. That is why the transformation of Rukh into a bloc of political organizations is an unrealistic undertaking and, from the legal point of view, hardly even necessary. Of course, an independent political organization "Rukh" will, as it did before, join blocs and associations with other political organizations during various campaigns, should the interests of the cause require this. Through its members, "Rukh" will participate in governing the state. Its factions within representative organs of state power will firmly rely upon the structures of Rukh, something that, for various reasons, has not yet become a common practice in political life. I believe that, at a crucial moment in determining legal statuses, it would be quite appropriate for individual political organizations, especially those that are mainly represented by Rukh members, to clarify their positions: Either exist independently or become constituent parts of the authoritative and powerful organization "Rukh."

With regard to the status of public organization, this status is also essential. All members of the political organization "Rukh," jointly with members of other political organizations that are now aligned with "Rukh" or will eventually join it, can participate in the implementation of social programs that must promote state development of the Ukraine.

First and foremost, the "Ukrainian People's Rukh" could focus its efforts on training national cadres, especially in the sphere of administrative and sociopolitical management. This work has already started. It would now be necessary to create a special functional structure

that would be able to effectively use the intellectual potential of educational structures both in the Ukraine and outside it. It would be a good idea to create, within the structure of a public organization, a business center that would promote the development of entrepreneurship in the Ukraine by creating favorable conditions for signing contracts between Ukrainian enthusiasts and professionals from foreign countries. In that case, the function of the cultural and educational activity and of the organization of mass measures would remain unchanged. More attention could be given to various types of work with young people.

Going back to section 3 of the aforementioned Law on Citizens' Associations in the Ukraine, which guarantees the possibility of ideological, organizational, and material support for particular political parties on the part of public organizations, it may be stated with confidence that such a division of statuses will ensure the fruitful and effective life of our organization.

Moreover, the public organization "Ukrainian People's Rukh" will maintain all legal and moral aspects of interaction with Ukrainian patriots in the diaspora to promote state development of the independent Ukraine.

These are my considerations on the eve of the third all-Ukrainian conference of Rukh. For the time being, I find it inappropriate to touch upon questions of structure and organizational work, because we must, first of all, determine our conceptual principles: In which direction is "Rukh" moving?

Belarus

Further on Kebich's Meeting With PRC Leaders

OW2301223992 Moscow Radio Moscow in Mandarin 2100 GMT 22 Jan 92

[From the "Hello, China" program]

[Text] A government delegation from the Republic of Belarus, led by Council of Ministers Chairman Kebich, arrived in China recently for a visit. Here is a report from Beijing by station reporter Papoyan.

Jiang Zemin, general secretary of the CPC Central Committee, received the delegation on 21 January. According to Chinese media reports, Jiang Zemin expressed satisfaction over the development of Sino-Belarussian relations. He said: The friendship between the two peoples has a solid foundation.

On China's situation, he said emphatically: The domestic situation has undergone tremendous changes since China declared its central task to be economic development. Jiang Zemin said: China will continue to focus on developing its own economy. He stressed: To accomplish this task, we must have political stability.

Kebich, chairman of the Council of Ministers of the Republic of Belarus, expressed satisfaction over the establishment of diplomatic relations and the smooth development of economic relations and trade between the two countries. He reiterated Belarus's position on the Taiwan issue. He said: We maintain that there is only one China, whose capital is in Beijing. Taiwan is an inalienable part of it.

China has spoken highly of the firm and principled stand adopted by the Republic of Belarus on the Taiwan issue. Chinese media reaction has served to underscore this point. An editor's note in RENMIN RIBAO says: Minsk's unstinting support for China's stance on the Taiwan issue once again shows that the people and government of Belarus have friendly sentiment toward the Chinese people.

The government delegation from the Republic of Belarus will visit the Shenzhen Special Economic Zone on 22 January before leaving for home on 24 January.

Diplomatic Relations Established

LD2301170592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1200 GMT 23 Jan 92

[Report by correspondent V. Kulikov from the "Novosti" newscast]

[Text] In recognition of the international rights of sovereign states of the former Union in the international arena—in Kiev, Alma-Ata, and a number of other capitals of these states—communiques have been signed on the establishment of diplomatic relations with China. The Belorussians preferred to do this in Beijing and sent a prestigious delegation to the PRC capital, including Council of Ministers Chairman Kebich, Foreign Affairs Minister Kravchenko, and other officials. The talks held in Beijing touched upon a wide range of problems—diplomatic, commercial, and economic, and of scientific cooperation—and ended with the signing of agreements equally important for both states. [video shows Kebich being interviewed at airport]

[Begin Kebich recording] In general, with the signing of economic agreements between the independent Republic of Belarus and China, our relations will be closer, and more fruitful. [end recording]

Prime Minister Kebich and the delegation he leads were accorded the highest state honors—a gun salute, the playing of the state anthems, and an inspection of the troops in an honor guard. On this day, the center of Beijing was decorated with the state flags of Belarus symbolizing the new nature of relations between the two countries.

Commission Set Up on Ties With CIS States

LD2301121392 Moscow TASS International Service in Russian 1030 GMT 22 Jan 92

[Text] Minsk, 22 Jan (BELTA-TASS)—A parliamentary commission on ties with the countries of the Commonwealth of Independent States [CIS] was set up today by the Belarus Supreme Soviet Presidium in order to coordinate activities of the CIS member-countries. It is headed by Vasiliy Sholodonov, deputy chairman of the Belarus parliament. Former USSR people's deputies from the Republic of Belarus are to take part in the work of the commission.

The Belarus Supreme Soviet Presidium has decided for now to refrain from making all airborne units stationed on the republican territory take an oath of allegiance to the CIS. A telegram from Marshal of Aviation Yevgeniy Shaposhnikov, commander in chief of the CIS troops, speaks of the need to take such an oath. It was decided to return to the issue of an oath of allegiance after clarifying which of the units are to belong to the republic and which will serve the CIS.

Free Economic Zone Near Brest Established

LD2401064492 Moscow TASS in English 2018 GMT 22 Jan 92

[By BELTA correspondent Anna Gladysheva—TASS]

[Text] Minsk January 22—The Belarussian Government has granted free economic zone status to the territory north of Brest, a city on the Polish border where leaders of Ukraine, Belarus and Russia agreed to create a Commonwealth of Independent States.

The move is expected to attract foreign businessmen and investments and help set up joint ventures, associations and representations in the region.

Foreign businessmen will be allowed to open "unlimited" accounts in all branches of the national and commercial banks in the Republic and transfer hard currency profits to other countries.

Belarussian law prohibits confiscation of these businesses' property and means. They will also have the right to buy property, shares, securities and own land. Businesses in the free economic zone will be allowed to borrow money from foreign banks, firms and organisations and conclude deals with insurance companies and other partners.

The governmental resolution on the creation of the free economic zone, Brest, envisages preferential taxes in the region, which will not exceed 25 per cent. Profits used to develop production capacities, train personnel, build infrastructure and carry out ecological and social programmes will be exempt from taxes.

Joint ventures in which a foreign partner owns not more than 30 per cent will also be relieved of taxes for five years.

Under the resolution, the Brest regional executive committee will become a body of state authority in the region, while a zone committee, to be headed by a resident of Belarus only, will be its supreme body of management.

Republic To Introduce Currency Before Apr

LD2401001392 Moscow TASS in English 1427 GMT 23 Jan 92

[By TASS correspondent Vyacheslav Zenkovich]

[Text] Minsk January 23 TASS—Belarus decided to follow the Ukrainian example and introduce its own money before April. The rouble is planned to carry a "Belarus" sign on it and will replace the coupons the republic introduced to protect its market.

A group of experts left for Moscow on Thursday [23 January] to discuss the question with the Russian authorities, TASS learned from reliable sources.

The Belarussian coupons introduced earlier differ from the Ukrainian ones as they can be used only once. Workers receive their wages in roubles and get an equal amount of coupons in addition. Only a resident of Belarus can buy goods in local shops, as it is obligatory to add the same amount of coupons to the sum paid in roubles.

But as the coupons will run out next March, the government decided to place the "Belarus" sign on the banknotes received by the population.

Rubles With Special Markings Announced

OW2301175092 Moscow INTERFAX in English 1637 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] Vyacheslav Radomsky, first consultant of Belarus premier, said that the republican government was working on a project to introduce special rubles with Belarus markings on April 1 because in Belarus the period of action of the "coupon system", which offered a degree of protection to the republican consumer market, expires in April.

Touching on the possibility of national money in the republic, Radomsky said that "this would not take place soon, if ever." According to him, for this it would be necessary to make drastic changes in the agreements between the former Soviet republics on the single ruble zone.

Council To Use Hard Currency for Grain Imports

LD2101094892 Moscow POSTFACTUM in English 2212 GMT 16 Jan 92

[From the "External Economic Relations" section]

[Text] Belarussian Council of Ministers decided to use not less than 50 per cent of hard currency funds of republican enterprises and institutions as for January 1, 1992 for grain imports as an urgent measure.

The resolution on foremost measures for 1992 grain supply in Belarus of January 10 envisages further compensation of the demanded hard currency from the republican reserve. Only joint ventures are exempt from this resolution.

According to a number of local businessmen, the resolution will hardly be realized in part of repayment. In any case, they point out that the instruments of this repayment are not decided.

Minsk Urges Executive Committee To Resign

LD2201013792 Moscow Mayak Radio Network in Russian 1800 GMT 21 Jan 92

[Text] An unprecedented decision has been made by the benefits and privileges commission of the Minsk Oblast Soviet of People's Deputies. It has recommended that the oblast executive committee resign en masse. The reason is the numerous instances of law-breaking and abuse of office by the chairman of the soviet and other officials on the executive committee.

Authorities Cut Electricity Consumption

LD2101023392 Moscow Mayak Radio Network in Russian 1800 GMT 19 Jan 92

[Summary] As a result of the sharp decline in supplies oil and natural gas, the Belarussian authorities have been

forced to cut electricity consumption by 20 million kw/hrs per day. Street lighting has been badly affected and advertisements switched off altogether. Room temperatures in homes are expected to drop by 5-15 degrees depending upon the weather.

Moldova

Decree Issued on Funds for Social Support

LD2301185192 Kishinev Radio Kishinev Network in Russian 0700 GMT 18 Jan 92

[Decree by Moldovan President Mirchea Snegur on "Certain Additional Measures To Ensure the Social Protection of the Republic's Population in Conditions of Price Deregulation"—read by announcer]

[Text] To strengthen the social protection of citizens of the Republic of Moldova in conditions of price deregulation and in addition to measures adopted previously, I decide:

To form republican and local funds for the social support of the population and to establish that these republican and local funds for the social support of the population are being set up partly out of resources from the revaluation of goods and produce left over in connection with price deregulation, partly out of income from the privatization of state and municipal property, and partly out of the income brought in by organizations and enterprises from all types of activity, lotteries offering money and other things as prizes, auctions, voluntary contributions from public organizations, citizens, foreign legal and physical entities and other contributions provided that they do not contradict current legislation.

The Moldovan Ministry of Finance as well as the republic's Ministry of National Economy and Ministry of Labor and Social Protection are instructed by 1 February to determine the precise amount of funds to be transferred into the republican and local funds for the social support of the population for 1992 and the procedure for executing the transfer.

Within a month the government of the Republic of Moldova is to approve provisions on the republican and local funds for the social support of the population envisaging the machinery and conditions for offering assistance to citizens. A procedure is also to be established for monitoring the use of special purpose funds and to examine the issue of granting privileges to certain categories of citizen for transport, housing and communal services, and medicines.

Within a month, local authorities are to examine and approve a program of measures for the social support of the poor and to identify which groups of citizens and determine how many people are in acute need of immediate material and financial assistance. Local authorities are to work jointly with trade organizations to decide procedure for providing essentials and hot meals to such people and are to assign citizens falling into this category on an individual basis to specific public catering enterprises, shops, social facilities, enterprises, and establishments. Local authorities must also monitor constantly the priority distribution of food resources to special establishments and set up a home-based local emergency social assistance service in social assistance departments.

During the privatization of municipal property, public organizations and private individuals must be offered advantageous terms to acquire premises for soup kitchens, special shops, information and social assistance services, for providing temporary accommodation to those in extreme need and also for other facilities providing social support to the population.

There must be a system for ensuring that food is supplied to public catering facilities at enterprises, establishments, organizations, and educational institutions.

It must be established that regardless of the form of ownership under which they come, enterprises, establishments and organizations as well as cooperatives and individuals engaging in entrepreneurial activities donating part of their income to the social support funds are exempt from paying tax on these contributions under the envisaged legislation.

This decree comes into force as of the day on which it is published.

[Signed] Mirchea Snegur, president of the Republic of Moldova

Council Rejects Draft Privatization Program

LD2301192692 Moscow TASS International Service in Russian 1310 GMT 22 Jan 92

[Text] Kishinev, 22 Jan (TASS)—The Supreme Economic Council under the Moldovan president, which held a session in Kishinev today, has rejected a draft privatization program for the republic presented by the State Department for Privatization. In the opinion of council members, those responsible for drafting the document had not taken into account the recommendations of scientists and the realities of the present day. The document also failed to define a procedure for the privatization of housing, small enterprises, and shops. The members of the Cabinet of Ministers who took part in the discussion proposed that this draft be rejected and that an alternative program, worked out by government experts, be taken as a basis. It has to be said that it would have been hard to anticipate any other outcome than the failure of this program because the government and the department for privatization are quite unable to share their spheres of influence, and from the moment the department was set up there have been differences between them.

At today's session, proposals on the need for the resubordination of the department for privatization from the parliament to the government were heard countless

times. Parliament has more than once spoken out against this step. On this occasion the final decision rests with parliament which has spoken out clearly for an immediate start to the implementation of privatization.

Parliament Adopts 'Leu' as National Currency

AU2301212192 Bucharest ROMPRES in English 2025 GMT 23 Jan 92

[Text] Chisinau ROMPRES, 23/1/1992—The parliament of the Republic of Moldova passed, after heated debates, the law on the national currency. In spite of a variety of stands and opinions on this issue, most of the parliamentarians drew the conclusion that the currency had to be called "leu" (like the Romanian currency).

But a number of deputies voiced their fear that the adoption of this currency could automatically lead to the union of Moldova with Romania. They insisted that the law had to specify that the currency would be the Moldovan leu. The amendment was accepted, but it was mentioned that only "leu" will be printed on the banknotes, alongside the insignia of the state of Moldova and "The National Bank of the Republic of Moldova," announced MOLDOVA PRES.

Reunification Council Meeting Scheduled 25 Jan

LD2301152992 Moscow TASS in English 1347 GMT 23 Jan 92

[Text] Kishinev January 23 TASS—An announcement was circulated here today that a ceremonial meeting of the national reunification council will take place on January 25 in the Romanian city of Iasi on the border with Moldova. The council meeting will be dedicated to the festival marking the reunification of all Romanian territories on January 24, 1859.

The council will not discuss a programme or specific details of a process for the reunification of Moldova with Romania despite the fact that this is the ultimate goal of the council, Ion Buga, People's Deputy of Moldova and member of the reunification council, told MOLDOVAPRES.

On the council are now about 40 deputies to the Moldovan Parliament and more than 50 members of the National Assembly of Romania, Buga said.

Many socio-political organisations of the two countries joined the council recently. The board of the Moldovan Writers' Union, which only recently supported President Mircea Snegur in his aspiration to build an independent state of Moldova, announced on Wednesday [22 January] that it joins the reunification council.

Danila Appointed Ambassador to Romania

AU2301212392 Bucharest ROMPRES in English 2024 GMT 23 Jan 92

[Text] Chisinau ROMPRES, 23/1/1992—By a decree of the Moldovan president, Mircea Snegur, Aurelian Constantin Danila was appointed ambassador extraordinary and plenipotentiary of the Republic of Moldova to Romania.

Dnestr Guardsmen Reportedly Terrorizing Police

LD2301185892 Moscow Radio Rossii Network in Russian 1300 GMT 22 Jan 92

[Text] Moldovan Internal Affairs Minister Costas asserts that over the past three weeks, with the aid of the command of the 14th Army, several thousand national guardsmen of the Dnestr region have been armed with automatic weapons. Costas accused the guardsmen of terror against policemen who are true to the Constitution and laws of Moldova, and the persecution of their families. The minister explains this by the fact that there are many former criminals among the guardsmen who are taking vengeance on the policemen. This was reported today by RIKA [as heard].

Kazakhstan

'Top Secret' Bacteriological Test Site Noted

PM2401123192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 24 Jan 92 p 2

[Unattributed report from AZIYA-PRESS, SIBINFORM, and TASS roundup]

[Text] The name of a top-secret bacteriological test site, located on the island of Vozrozhdeniye in the middle of the Aral Sea, has been mentioned for the first time in open-source official documents. A special paragraph in the Resolution "On Urgent Measures To Radically Transform the Living Conditions of the Population of the Aral Region" adopted by the seventh session of the republic parliament, which ended the other day, reads as follows: "The activity of the military test site on the island of Vozrozhdeniye is deemed impermissible. The Kazakh Cabinet of Ministers is to study the activity of the test site and submit proposals on its closure in accordance with established procedure."

Commission To Regulate Baykonur Cosmodrome

LD2301182692 Moscow Mayak Radio Network in Russian 1500 GMT 23 Jan 92

[Excerpt] Now some news from the INTERFAX agency. Kazakhstan intends to hold talks with the defense and space departments so as to finally end the problem related to the use of the Baykonur cosmodrome. This was stated by the republic's first deputy prime minister in Alma-Ata. A commission will be set up to regulate activity at Baykonur. It will make a review of the cosmodrome's activities and determine the principles according to which it is used. The deputy prime minister levelled scathing criticism at Colonel General Ivanov, the commander of the space system, who only gave notification of a planned routine launching at the cosmodrome on 25 January instead of requesting permission from the republic. [passage omitted]

Control of Military Intelligence Considered

OW2301161292 Moscow INTERFAX in English 1344 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] Kazakhstan is considering the possibility of putting military intelligence units acting in the republic under its own control. This problem was discussed on Wednesday [22 January], at a conference devoted to the results of the agency's work in 1991.

Those advocating this measure argued that if military intelligence had been under the Kazakh government's and parliament's control, the plans to launch an SS-19 ballistic missile would have been known in advance.

U.S. Team, Legislators Discuss Arms Issues

PM2301170092 Moscow ROSSIYSKAYA GAZETA in Russian 23 Jan 92 First Edition p 2

[Correspondent Sergey Skorokhodov report: "Kazakhstan Would Like Guarantees of Territorial Integrity"]

[Text] Alma-Ata—At the Kazakh Supreme Soviet a meeting took place recently with a delegation from the U.S. Congress, headed by Senator James Exon, chairman of the Senate Subcommittee on Strategic Forces and Nuclear Deterrence. The congressmen were received by Kh. Yerezhepov, deputy chairman of the republic Supreme Soviet.

Today we are less concerned about the fact that Moscow formerly promoted the proliferation of nuclear weapons, J. Exon said in his speech. We are much more concerned about the brain drain of nuclear experts from the countries of the former Union. Yet, the senator believes, the fewer nuclear republics there are, the quicker and easier it will be to reach agreement on reducing the nuclear arms of Russia and the United States. Conversely, the more republics join in the "nuclear games," the more difficult this process will be.

K. Kozhakhmetov set forth the Kazakh delegation's position, though he did refer to it as his personal opinion. He stressed that Kazakhstan is geographically located between two great nuclear powers: China and Russia. In view of the problems that exist between the republic and its eastern neighbor, including territorial problems, Kazakhstan would like to have certain guarantees of its territorial integrity in the context of switching to the status of nuclear-free state.

Furthermore, pointing out that the republic was a nuclear testing range for 40 years, K. Kozhakhmetov came out unequivocally in favor of the view that the elimination of nuclear weapons on its territory should be associated with concrete help in resolving a number of economic and ecological problems—help especially from Russia but also from China and the entire world community. When it becomes a nuclear-free zone, Kazakhstan would like there to be no testing ranges or storage facilities for nuclear weapons within a certain distance of its borders.

The sides refrained from more specific discussion of the problems raised and only exchanged diplomatically courteous statements on the coincidence of their positions and their intentions of achieving a nuclear-free world.

Examine START Treaty

PM2301134392 Moscow KRASNAYA ZVEZDA in Russian 23 Jan 92 Single Edition p 3

[By correspondent Colonel A. Ladin: "No Tactical Nuclear Weapons on Kazakhstan's Territory"]

[Text] Alma-Ata—The official U.S. delegation headed by U.S. Under Secretary of State R. Bartholomew, which is in Alma-Ata, was received by S. Nurmagambetov, chairman of the Kazakh State Committee for Defense. [passage omitted]

The U.S. side voiced its concern over the fate of the Strategic Arms Reduction Treaty [START] that has been signed. R. Bartholomew suggested that on behalf of the four states on whose territory nuclear weapons are located, the START treaty should, by mutual consent, be ratified by Russia so that mutual relations between two and not several partners can be retained.

In this connection S. Nurmagambetov stated that an acceptable form for ratifying the START treaty could be found only after the elaboration of the relevant agreement between the heads of the sovereign states and discussions of this document in the parliaments of Belarus, Kazakhstan, Russia, and the Ukraine. He also stressed that right now there are no longer any tactical nuclear weapons on Kazakhstan's territory.

The U.S. delegation presented the Kazakhstan State Committee for Defense with a package of documents containing proposals for controlling arms exports.

Tajikistan

Article Rebuts Uranium Sales 'Canard'

92US0188A Moscow NEZAVISIMAYA GAZETA in Russian 7 Jan 92 p 3

[Article by Oleg Panfilov: "Tajikistan as a Nuclear Power? This Is a Deliberate 'Canard'—Such Is the Opinion of the Head of the Muslims of the Republic"]

[Text] In the last days of 1991, the republic NARODNAYA GAZETA (formerly KOMMUNIST TADZHIKISTANA) published an article entitled "Tajik Uranium for the Islamic Bomb?" The item was prepared by the new independent agency "News of Tajikistan" (NANT) which made its presence known several months ago.

A narration about the operation of the mining and chemical combine in the north of Tajikistan, which has not been considered secret for a long time now, constitutes the bulk of the content of this article.

In the 1940's, when the USSR was developing its own nuclear weapons, Combine No. 6 reporting to the Ministry of Medium Machine Building was founded next to Leninabad. Initially the combine processed local raw materials mined in the western spurs of Tyan-Shan, as well as ore shipped in after primary processing. However, the article maintains that a uranium enrichment facility hidden deep in the underground is capable of turning out products directly suitable for manufacturing nuclear warheads. Moreover, the author of the item said that the government is interested in selling enriched uranium, as well as in setting up a consortium with Arab countries in order to develop uranium deposits.

Referring to the fact that Tajikistan is not bound by international obligations on control over nuclear production facilities, the article made a supposition regarding extensive sales of Tajik uranium to Middle East countries. A specific address was named—Libya. A congratulatory message to the Tajikistan President Rakhman Nabiyev from the Libyan leader, Colonel Mu'ammar al-Qadhdhafi, is cited as "proof."

The article was noticed by foreign information agencies and produced the expected effect. However, it is surprising that the leadership of the republic still has not responded to the article. As the leaders of the opposition believe, the appearance of the article was precisely "timed" to coincide with an official visit to Tajikistan by a Libyan delegation headed by a representative of Mu'ammar al-Qadhdhafi, Dr. Muhammad Ahmad Sharif, general secretary of the "Islamic Appeal" society and considered to be the main ideologist of the Jamahiriya and the number three person in Libya next to al-Qadhdhafi. The society he heads has its branches and Islamic cultural centers in 56 countries, as well as educational establishments at which, incidentally, two students from Tajikistan are already studying. The Spiritual Administration of Muslims of Tajikistan has been cooperating with this society for a long time. During the visit, a new agreement was signed concerning the restoration and construction of 35 mosques in the republic and the admission of another three Tajik students to an Islamic institute.

However, despite its governmental status, the Libyan delegation visiting Tajikistan was not received by the president of the republic. As we have learned from unofficial sources, Minister of Foreign Affairs Lakim Kayumov was instrumental in this. A communique which presupposes cooperation in the future became the only document signed during the visit. However, by all signs, the government of Tajikistan did not respond to the call to establish diplomatic relations.

The visit of the Libyan delegation lasted for less than a full day, and there were no official reports in the press on this account. However, Judge Khodzha Akbar Turadzhonzoda, head of the Spiritual Administration of the republic, who agreed to comment on the item in NARODNAYA GAZETA, believes that the publication of the article on uranium production in Tajikistan was deliberate.

"This 'canard' was arranged by the enemies of the Tajik people, who, as fate would have it, live in a region where an intense struggle for influence is under way. There is no need to conceal that a certain hostility toward the Muslim peoples exists, which is fueled by the mass media of the former Union and Western Europe. The sponsors of this article decided to sustain the hullabaloo. Apparently, being aware of the arrival of the Libyan

delegation, they resolved at one point to instill anti-Libyan spirit among the population of Tajikistan and other Central Asian republics. The main objective was to prevent the recognition of new Central Asian states as democratic states, although I do believe the republics of Central Asia are indeed far from democracy. The latest presidential election in Tajikistan bears testimony to that. There are defense enterprises in the territory of our republic, but the body of deputies knows nothing about them. I hope that in the immediate future, the Council of Ministers will inform the deputies whether components for the production of nuclear weapons are manufactured in our republic."

"If so, do you think these enterprises should be closed down?"

"By no means. We should publicly announce that they exist, impose strict international controls, and trade legally with civilized countries with a view to using our raw materials for peaceful purposes. This is a source of hard currency for our republic, and this should not be concealed."

Turkmenia

Russia To Conclude Military Agreement

OW2301143692 Moscow INTERFAX in English 1344 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] At all appearances, Turkmenistan and Russia will conclude a military agreement before the Commonwealth heads of state gather for their Minsk summit scheduled for February 14, member of Turkmenistan's Presidential Council and commander of the Central Asian Frontier District, Aleksander Bogdanov, told IF [INTERFAX]. In his opinion, the two states should arrive in Minsk with a "package of documents already drafted" and coordinated.

Mr. Bogdanov confirmed the position of Turkmenistan which stands for the Commonwealth's undivided armed forces. He said that given the current situation and alignment of forces in the region, Turkmenistan would ensure its security if the strength of its troops equals that of the troops stationed in the whole of Central Asia.

Gas To Be Sold to Russia at World Prices

LD2301192192 Moscow TASS International Service in Russian 1359 GMT 22 Jan 92

[By TURKMEN PRESS correspondent Oleg Lukin]

[Text] Ashkhabad, 22 Jan (TASS)—Russia will pay Turkmenistan at world prices and in hard currency for its exported natural gas. This is envisaged by an agreement on supplies of natural gas from Turkmenistan to the Russian Federation and for export. Taking account of Turkmenistan's share of the total volume of exports, Russia will pay us in 1992 via the Gazprom concern world prices and in freely convertible currency for deliveries of 11,280 million cubic meters of natural gas, Nazar Suyunov, deputy head of the Turkmenistan Government, reported. The hard currency receipts will help the republic to resolve socioeconomic issues and will also be used for the further development of the gas industry. Agreements on supplies of Turkmen gas have also been signed with Uzbekistan, Tajikistan, Kazakhstan, and other Commonwealth member states. These envisage payments in rubles at negotiated prices.

IZVESTIYA Examines Gas Pipeline, Exports

PM2001142392 Moscow IZVESTIYA in Russian 20 Jan 92 Morning Edition p 2

[Correspondent Vladimir Kuleshov report: "Where Will Turkmen Gas Go: To the West Or the Near East?"]

[Text] Ashkhabad—R. Vyakhirev, deputy general director of the Gazprom concern, has refused Turkmenistan its right to its share of gas exports.

Two states—Russia, which exports 240 billion cubic meters of gas outside of the former Union, and Turkmenistan, which dispatches 72 billion cubic meters—currently trade with foreign countries through a single general distribution pipeline running through Russia and the Ukraine to the West. Naturally, in the current situation the question of quota allocations was bound to arise. But nobody at the talks in Moscow expected it to arise so sharply. In response to the Gazprom statement, the Turkmenistan representatives got up and walked out.

Specialists believe that, if Turkmenistan stops sending its gas down the common pipeline, pressure in the gas distribution system will fall sharply and the Ukraine, which currently receives around 30 billion cubic meters of gas from Turkmenia, will be forced to close its valves. But—apart from the Ukraine—Azerbaijan, Georgia, Uzbekistan, Kazakhstan, Armenia, and even Russia itself receive Turkmen gas.

Turkmen gas is currently arousing an enormous amount of interest in Near East countries. Turkey, Pakistan, Iran, and other states would like to immediately start building pipelines and pumping Turkmen gas. Turkmenistan is prepared to accept a number of proposals.

Of course, this is an excellent option for the southern republic, but for it alone. For the other Commonwealth states it is a disaster, because any falloff in the supply of gas to the common Central Asia-Center network will immediately cause an imbalance in the entire gas distribution system and result in major disruption to gas supplies to many Commonwealth states, including Russia, a number of whose oblasts receive Turkmen gas.

Free Farmers' Party Formed in Ashkhabad

LD2201071292 Moscow POSTFACTUM in English 1345 GMT 21 Jan 92

[From the "Politics" section]

[Text] The founding committee of the Free Farmers Party of Turkmenistan was set up in Ashkhabad on January 18. Rejep Bairamov, chairman of the committee, president of the Agricultural Academy of Turkmenistan, told PF [POSTFACTUM] on January 20, that a meeting of the committee held on January 18, and attended by local agricultural experts and leaders of a number of farms, adopted the draft rules and program of the new organization. The documents declare that the aim of the party is to defend political, economic and social interests of farmers and workers of the agro-industrial complex regardless of their nationality. The Free Farmers' Party is to work for private property on land, the privatization of cooperative farm property and state property in the field of agriculture. Therefore the founders of the party say land should be given only to citizens of Turkmenistan. Selling it to representatives of other states is viewed as infringement on the rights of the people of the republic.

The party rules envisage the creation of primary organizations according to the territorial principle and forbids membership in any other public organizations.

We do not intend to set up an opposition party—Rejep Bairamov said—but, supporting President Niyazov, we are ready to influence his policy. He also said that in the near future committee members, with the help of the media, will start spreading the idea of setting up the party. After 1,000 signatures are collected under the appeal to register the Free Farmers' Party, the issue of its registration will be taken up by the Justice Ministry of Turkmenistan in line with the republic's laws on public organizations.

Some local businessmen say that if registered the Free Farmers' Party may soon become the most influential and numerous political organization in agrarian Turkmenistan.

Niyazov Urges Objective Reporting on Economy

OW2101183492 Moscow INTERFAX in English 1607 GMT 21 Jan 92

[Transmitted by KYODO]

[Text] On Monday [20 January], President of Turkmenistan, Mr. Saparmurad Niyazov, urged the heads of the republican media to supply unbiased information about the current economic reform. The president's press office told IF [INTERFAX] that Mr. Niyazov had accused a number of Turkmenistan's publications and TV programmes of "incompetent and superficial coverage of price liberalization".

According to a source close to the government, Mr. Niyazov has acknowledged that the current price liberalization was an artificial price-rise and that it was too early to talk about real market relations.

Uzbekistan

Karimov Notes CIS Future Depends on Russia

PM2301125092 Moscow SOVETSKAYA ROSSIYA in Russian 23 Jan 92 pp 1-2

[Interview with Uzbek President I. Karimov by correspondent A. Orlov in Tashkent, under the rubric "Top People Talking"; date not given: "How To Live in the Commonwealth"]

[Text] [Orlov] Islam Abduganiyevich, our meeting is taking place at a difficult time for Uzbekistan. All kinds of rumors have sprung up outside the republic about the student unrest in Tashkent....

[Karimov] Yes, that tragic event has had grave repercussions in our internal life and has done international damage too. The most worrying thing is that someone was killed.... An investigation of what happened on the student campus is taking place in the republic. But I would like to say this quite clearly today: The students themselves are not to blame. I don't even think we were up against a spontaneous demonstration by young people against price liberalization, as it was represented in some of the mass media; I think it was a more deep-seated phenomenon. The students could not yet have experienced the effects of the price increases by that date, but that is not the point. The tragedy on the campus is a continuation of the political struggle that was under way in our republic before, during, and after the presidential elections. The event itself reminds me very much of the way things began in Fergana. Both in the way it started and in the fact that political rather than economic demands immediately became the major factor: The government must resign, down with the president....

[Orlov] So there are forces in the republic that, rather than entering into legal, constructive opposition, operate subversively?

[Karimov] I don't want to offend anyone, still less to insult them with suspicions. Nonetheless I wish to say that there are forces that are investing substantial resources in undermining the present situation. I have grounds for such conclusions. These forces derive their targets from the policy we are pursuing today: a policy of independence, stability, and autonomy in economic and international affairs. Moreover as president I have taken an oath that the republic will follow a clear, distinct path and combat all kinds of evil—mafia structures, the shady economy—so that none of this influences the objective course of events in Uzbekistan. I don't want to take too much on myself, but I can state that the chosen policy is wrecking many people's plans and causing them to worry about their ebbing prosperity. Stability, a sound moral

atmosphere in society, the maintenance of order—that is the desire of the vast majority of people in Uzbekistan.

The situation here is now completely back to normal. Those who were arrested during the disturbances have been freed, except for those who had weapons or explosives. The students resume their studies 10 February. We have found a common language. For me personally, everything that happened was a human upheaval....

[Orlov] What are you busy with at the moment?

[Karimov] In the last few days, the question of the representation of the republic of Uzbekistan at the United Nations has been under discussion—a question that it is no exaggeration to describe as historic, for us. I have been preparing for a trip to Geneva, where contacts are being established with large firms and banks. There has been work on the question of obtaining credits, which is extremely complex with regard to the republics of the former Union, which are in debt. Moreover the republic has its own reforms, which also require responsible decisions. Last, today I have to be very closely involved with the question of food for the population....

[Orlov] This last problem is particularly acute for the republics of the whole of the former Union, now the CIS [Commonwealth of Independent States]. All kinds of predictions are currently being made about the future. Especially the common future. What, in your view, does tomorrow hold for the Commonwealth? Does the CIS have a future anyway?

[Karimov] Let us see what led up to the formation of the CIS, because basically the CIS emerged as a result of the meeting of three states' leaders in Belovezhskaya Forest. Strictly speaking, we, the Central Asian republics, including Uzbekistan, were not party to those plans. So the three states came together and, so to speak, predetermined the fate of the others by themselves. Tell me, what could we, the Central Asian and other republics, do? What choices did we have?

We said "yes" to the Commonwealth, but there were attempts literally to provoke us to act differently. The expression "Slav states" was used—that is to say, hints were dropped: Look, the Slav states are uniting, now it's your move. Like in chess. It goes without saying that hotheads could then have convened representatives of the states with a predominantly Muslim population. How would everything have developed if we had taken that path? At the Ashkhabad meeting, we showed both tolerance and prudence.

All the rest is a kind of continuation of these two major decisions. As for how long the Commonwealth will survive, I raised that question at the republic Supreme Soviet session. I must express the basic mood frankly: If Russia continues its attempts to be the legal successor to the Union in the first person singular, there will be no Commonwealth. Judge for yourself: If, say, the commander of Russia's armed forces commands the armed forces of the other republics, that cannot be right. I am convinced that the Russian president understands that. Any autocratic move provokes a reaction from all the republics.

[Orlov] So, given that the Commonwealth has no really effective coordinating structures, is it an impasse?

[Karimov] Impasses cannot be tolerated in politics. That is what politicians are for. I think there is a way out. Take, for instance, the military question again. In the Kremlin recently there was the Officers' Assembly, attended by our representatives too. Unfortunately there could not be any serious decision there. Why not? An apparently simple question was not taken into account: Who will maintain the Army and under whose jurisdiction will it be? If there is no Union, what then—will the Army be above the Commonwealth council?

With regard to the Armed Forces, we have a well-considered position. In the situation that has arisen, given that there is no Union, we realize that in the strategic forces, for instance, seconds count. Therefore we are not objecting to there being unified command of the strategic forces. Nobody on the ground is about to create obstacles to this. Incidentally, we have unanimously handed the "button" to Russia, in the person of its president. But when it comes to the conventional Armed Forces, let us proceed logically. Let us create joint armed forces on the NATO model. When Marshal Ye. Shaposhnikov was in Tashkent we talked about that. Opinions were exchanged more or less in one key.

But arrogance, I repeat, will only destroy today's already fragile equilibrium.

[Orlov] Apart from military problems, everyone is concerned today about the question of the Commonwealth common market: How can we survive and protect people? Each republic has its own approach—the introduction of coupons or national currency. What path has Uzbekistan chosen?

[Karimov] Again, there is not much choice. We have also introduced coupons to protect the internal market. Even today our prices are lower than in other republics. But the ruble is devaluing before our very eyes. Moreover in two months of export and import controls, goods worth a total of some 150 million rubles have been stopped. What kind of barrier can be erected? In short, today it is difficult for everyone and that is why we must all lend each other support. Economic reform, price liberalization, and privatization should take place in a coordinated manner. And not like this: One president, to put it crudely, releases prices on a whim. We are not living on the other side of a fence, so we too are forced to hurry, even if our situation is different. Then you get the campus demonstration and inflamed passions. I am basically now a hostage to decisions made in Moscow. We have raised the point that in the Central Asian republics liberalization should take place in a different way, at a different pace. Please be so kind as to hear everyone out and then decide, instead of saying, well,

I've decided, the others will have to adapt. Unfortunately there is no guarantee that the same thing will not happen with other reforms. What are we supposed to do, salute?

[Orlov] But I must say: Moscow, Russia, have also proved not to have much freedom of choice with regard to price liberalization. And with regard to other steps too.

[Karimov] That is another matter. The main point is that the Commonwealth should make decisions collectively, collegially, after careful consideration, in an atmosphere of tolerance. If that principle is complied with—and this will, after all, depend to a great extent on Russia, whose prestige we recognize—the Commonwealth will survive. If not, it will not last long.

Diplomatic Relations Established With Egypt

LD2301133892 Moscow TASS International Service in Russian 1037 GMT 23 Jan 92

[Text] Tashkent, 23 Jan (TASS)—A joint communique establishing diplomatic relations between the republic of Uzbekistan and the Arab republic of Egypt was signed today in Uzbekistan's Ministry of Foreign Affairs. An Egyptian Government delegation, headed by Kamal Ahmad al-Janzuri, deputy prime minister of Egypt and minister of planning, is in the republic on an official visit.

Members of the delegation were received by Uzbekistan President Islam Karimov. In talks with the guests, he noted that Uzbekistan is ready to establish relations with Egypt in strengthening diplomatic ties, creating joint enterprises, exchanging scientific cadres and students, and developing tourism.

The head of the Egyptian delegation conveyed not only congratulations from Egyptian President Mubarak on the occasion of the nationwide election of Islam Karimov as president of the republic, but also an official invitation to visit Egypt. Kamal Ahmad al-Janzuri stressed that his country is ready to establish close economic and other ties with Uzbekistan.

Karimov Comments

NC2301114992 Cairo MENA in Arabic 0855 GMT 23 Jan 92

[Excerpts] Tashkent, 23 Jan (MENA)—Uzbekistan President Islam Karimov today received a written message from President Husni Mubarak, congratulating the Uzbekistan Government and people on obtaining their national independence. Dr. Kamal al-Janzuri, deputy prime minister and minister of planning, conveyed the message when President Karimov received him this morning. [passage omitted]

Praising President Mubarak, Karimov described him as a struggler for world peace and progress. He noted that Egypt was among the first countries to recognize Uzbekistan's independence, which is an important beginning to bolstering his country's relations with the Arab countries.

President Karimov pointed out that Uzbekistan is one of the Commonwealth's richest republics in terms of its natural resources, precious metals, and agricultural products. He said the people's morale had risen after independence, and they are free to practice religion and celebrate Islamic festivities following communism's demise.

President Karimov asked for Egypt's support for his country to be accepted as a member of the United Nations and called on the Islamic countries to provide loans and assistance for his country to make the transition. He noted that 50 countries have so far recognized Uzbekistan. [passage omitted]

Dr. al-Janzuri emphasized that cooperation between Egypt and the Islamic republics will benefit their peoples in this world of important alliances.

President Karimov asked that a direct air link be established between Cairo and Tashkent and that information cooperation be promoted.

The Egyptian delegation arrived in Tashkent from Yerevan, Armenia, yesterday evening on a two-day visit to Uzbekistan to discuss bilateral cooperation. The delegation is scheduled to leave Tashkent tomorrow, 24 January, for the Ukraine.

Saudi Arabia To Deliver Grain to Republic

PM2201161392 Moscow PRAVDA in Russian 22 Jan 92 p 1

[Report under general headline: "Pulse of the Day"]

[Text] Preliminary agreement has been reached on deliveries in the current year of 800,000 tonnes of grain from Saudi Arabia to Uzbekistan, President Islam Karimov announced at a news conference for local and foreign journalists. The head of the republic has received an invitation from Riyadh to pay the kingdom an official visit.

Azerbaijan

Mutalibov Begins Official Visit to Turkey

Met by President Ozal

LD2301135192 Moscow TASS International Service in Russian 1138 GMT 23 Jan 92

[Text] Ankara, 23 Jan (TASS)—Ayaz Mutalibov, president of the Azerbaijan Republic, arrived here today on an official visit. At the international airport, decorated with the state flags of the two neighboring countries, he was met by Turgut Ozal, president of the Turkish Republic.

Azerbaijani-Turkish talks will begin today in the second half of the day. A. Mutalibov will pay a visit to President T. Ozal, and a meeting will take place with Turkey's Prime Minister Suleyman Demirel.

Visits to industrial enterprises and meetings with representatives of business circles and the Azerbaijani diaspora are envisaged in the program for the three day visit. The signing of an agreement on friendship and cooperation between Azerbaijan and Turkey is expected.

Meets Prime Minister

LD2301203192 Moscow TASS International Service in Russian 1900 GMT 23 Jan 92

[By TASS correspondent Aleksandr Chelyshev]

[Text] Ankara, 23 Jan (TASS)—Azerbaijan President Ayaz Mutalibov, who is paying an official visit to Turkey, met Turkish Prime Minister Suleyman Demirel this afternoon. Turkish Foreign Minister Hikmet Cetin and Azerbaijan's foreign minister were present at the meeting. Later, A.Mutalibov received Erdal Inonu, a state minister and Turkish deputy prime minister.

Official talks between Turgut Ozal, president of the Turkish republic, and Azerbaijan President, A.Mutalibov also began in Ankara today. In the evening, the Turkish president hosted a dinner in honor of the high-ranking guest from Azerbaijan.

Official talks will be continued tomorrow.

Mutalibov Briefed by Shusha Representatives

NC2301171592 Baku Radio Baku Network in Azeri 1800 GMT 21 Jan 92

[Text] President Ayaz Mutalibov received representatives of the people in Shusha on 21 January and was fully briefed on the difficult situation there. He was asked to help the people solve their problems. The people, it was noted, have faith in their president, support his policies, and believe that he will spare no effort in helping them solve their problems.

After carefully listening to the representatives, President Mutalibov said that he is well aware of the serious nature of the situation in Shusha, adding that he is trying to resolve the issue, establish peace in the city, and meet the citizens' social needs.

Appealing to the moral values of our people, Mutalibov said that no one should be afraid or panic. Every citizen must fulfill his patriotic duty by defending the (?territorial integrity of our republic). The work of our people, who do not covet any foreign land and who will not surrender one inch of their own land to anyone, is [word indistinct].

Musa Mamedov, Mutalibov's representative on Karabakh [Nagorno-Karabakh] matters, and Minister of Internal Affairs Kerimov attended the meeting.

Mutalibov Interviewed on Economic Integration

PM2401120192 Moscow IZVESTIYA in Russian 24 Jan 92 Morning Edition p 2

[Interview with A.N. Mutalibov, president of the Azerbaijan Republic, by correspondent V. Samedov; place and date not given: "A. Mutalibov: Our Future Lies in Economic Partnership"]

[Text] [Samedov] Ayaz Niyazovich, like other peoples of the former Union republics, the Azerbaijani people have entered the new year of 1992 as an independent sovereign state. In this connection I would like to learn your concept of independent states within the framework of the new Commonwealth of the 11.

[Mutalibov] My concept is simple: to freely join the international community, become a full member [subyekt] of it, and develop mutually advantageous relations with states of the world, including the former Union republics.

I have in mind economic integration. It is well known that economic ties are the best basis for developing relations in general, including sociopolitical relations.

As far as we are concerned, we must proceed from the realities that took shape over the many years of the existence of the USSR. It is common knowledge that after the formation of the USSR a scheme for the development of productive forces was established which firmly bound all the republics and regions to one another. Thus no former Union republic has a complete technological cycle for the production of the most important types of industrial output. In these conditions the rupture of economic ties would spell disaster for the national economic complex of any republic. In other words, by breaking the ties which really exist we will wreck the very foundation and principles for ensuring our own independence. So I am an advocate of close economic collaboration among CIS [Commonwealth of Independent States] members.

I am sure that the future of our Commonwealth now depends more than ever on efficient partnership, mutual respect, and compliance with all accords, especially

economic accords. There is the rule of the ancients: "Treaties must be observed." That is a sign of high standards in relations. Only in this way will we be able to resolve our peoples' vitally important problems.

[Samedov] How do you envision forms of cooperation in the future? What do you see as the real strength and weakness of cooperation?

[Mutalibov] I see the future of our Commonwealth as something like today's European Community. The principles of cooperation among the EC members, I would venture to claim, contain some elements of the experience of relations between republics of the former Union. Unfortunately, we chose not to develop these elements and ultimately lost them. Now, in forming the CIS, we must take our cue from the example created in Europe, take their experience into account, and borrow all the advantages of multilateral links. After all, today France, Germany and the other EC countries intend to jointly solve their economic and political problems. Notice that no one dreams of claiming that this cooperation prejudices these states' independence and sovereignty.

We must grasp once and for all that we are destined to respect one another and to give one another a hand in clambering out of the quagmire. Otherwise we are doomed. And so what worries me most of all is the disrespectful attitude of Commonwealth members toward the pledges adopted for the current year, which will presumably a year that is a test of durability for the CIS. Primarily economic durability.

[Samedov] But today a so-called currency war is being "unleashed" in the CIS. A number of republics are introducing their own national currencies and coupons...

[Mutalibov] Unfortunately, all these innovations are based on the problem of the shortage of financial resources and on a desire to protect their own internal market. But, excuse me, it is naive to think that by closing your borders to your partners you can instantly solve the number one problem—shortages. Believe me, and I am an economist by profession, the introduction of your own currency is a very complex economic task. Without going into details, I would note that in present conditions, when real production is failing to ensure ruble convertibility, there can be no guarantees of the convertibility of a new monetary unit or coupon. And so my opinion is unequivocal: This cannot be done in a transitional period; the common economic area must have a universal monetary unit, which would make it possible to solve the problems that have accumulated in all spheres. But if the process of introducing new currencies becomes a reality, naturally, Azerbaijan too, despite its wishes and position, will take countermeasures to protect the interests of its citizens and its market...

[Samedov] The events now taking place within the CIS have also exposed another important problem: What are the Armed Forces to be like?

[Mutalibov] I will begin with the point that the attempts by certain forces to portray the republics that have announced the creation of their own armies as destroyers of the Armed Forces are untenable. You will agree that military subunits that are not subordinate to the state's laws cannot be stationed on the territory of any state.

As for decisions on the Armed Forces within the framework of the CIS, I am sure that they will be found and settled. A CIS common military-strategic area can and most probably will emerge only after the creation of [republics'] own armed forces. A common command of the Armed Forces can also be set up by mutual agreement, on the pattern of the NATO countries.

Any sovereign state in the world, regardless of its size, population, or economic potential, has its own Army with an appropriate military doctrine, which today is formed according to the principle of defense sufficiency. It is important to realize that the existence of independent states' armed forces certainly does not mean that they are preparing for aggression and are contemplating declaring war on someone.

[Samedov] But, Ayaz Niyazovich, the blood of innocent civilians has been shed on Karabakh soil for over three years now. What do you propose to do to finally settle the conflict in the mountain part of Karabakh [that is, Nagorno-Karabakh], and also between Azerbaijan and Armenia?

[Mutalibov] I am often asked this and, to ensure that my answer is not misunderstood, we need to go back to the sources and prime causes not of an interethnic and religious conflict, as it is usually called, but of the territorial expansion of Armenia, which has dragged Azerbaijan into war. A great deal has been said about it, and said repeatedly. I would emphasize that this war has been introduced from outside by those who are using terror and aggression to keep this region in a state of tension. Violating Azerbaijan's constitution and laws, the intriguing leaders of the so-called Armenian national movement are trying to dismember our sovereign state by creating some semblance of a state structure inside the republic.

No world state, including the CIS members, would tolerate and allow part of its age-old territory to be forcibly torn out of its living body. It is the same thing to have on your territory a formation that does not recognize the structure of the existing state and does not obey its laws. So I hope that your assessment of my position "as firm" will not be perceived and assessed by IZVESTIYA's readers as "diehard and aggressive."

But be that as it may, time has passed, never to return, and the conflict has reached an impasse. However, we are not losing hope, we are patiently seeking new paths and endeavoring to maintain dialogue with the Armenian side. Our position on the main point is unchanged—respect for territorial integrity and the generally accepted norms of interstate contact.

[Samedov] To end our conversation, a question about religion.

[Mutalibov] Yes, there are a lot of fantastic stories that Azerbaijan's population is committed to Islamic fundamentalism and fanaticism. Someone is fueling all these fantasies with malicious intent, although there is no trace of anything like that. There is just one reason, and we are aware of it—to keep Azerbaijan in isolation and to deprive us of the common economic area. This is a dirty attempt, I can come up with no other word. If you like, it is a political conspiracy against our people aimed at creating a negative attitude toward Azerbaijan on the part of Western countries.

But let us return to the essence of our conversation. I want to take advantage of IZVESTIYA's enormous popularity to stress once again: The Azerbaijan Republic will continue to adhere to the principles of good-neighborliness, mutual advantage, and a respectful attitude toward the spiritual and other values professed by the peoples in its relations with neighbors and with states both far and near.

Latest Events in Nagorno-Karabakh Outlined

'No Let-Up' in Shelling

LD2301183992 Moscow TASS International Service in Russian 1512 GMT 23 Jan 92

[By TASS correspondent]

[Text] Stepanakert (Khankendi), 23 Jan (TASS)—There is no let-up in the shelling of villages in Nagorno-Karabakh. Last night, missiles and artillery projectiles were again fired at the towns of Stepanakert, Martuni and Shusha.

According to a report by the directorate of internal affairs, the capital of Nagorno-Karabakh was subjected to shelling throughout the night from four nearby Azerbaijani villages. A total of 15 dwellings were destroyed, including a children's hospital. Three people were wounded, including two children.

The Armenian self-defense forces returned fire toward Shusha, knocking out gun positions. There is no information on victims or destruction in Shusha. There is destruction in Martuni, but no casualties.

During the afternoon of 23 January, fighting occurred in the outskirts of Stepanakert, where there is a water tower. It was blown up two months ago, but still supplies water to the town. According to preliminary information gleaned by our correspondent from a hospital, two Armenians were killed and three wounded. There is no information on victims on the Azerbaijani side.

'Catastrophe' Expected

LD2401061992 Moscow Radio Rossii Network in Russian 0400 GMT 24 Jan 92

[Text] The parliament of Nagorno-Karabakh has appealed to UN Secretary General Butrus Ghali and Russian President Boris Yeltsin to prevent the conflict between Azerbaijan and Armenia from escalating. The message says Azerbaijani forces are concentrating near the towns of Shusha and Agdam. The Nagorno-Karabakh parliamentarians stress that a catastrophe is expected to occur at any moment. The parliament calls for the establishment of an international commission to resolve the Nagorno-Karabakh problem and to introduce political and economic sanctions against Azerbaijan.

'Growing Violence' Witnessed

OW2301160992 Moscow INTERFAX in English 1344 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] Baroness Caroline Cox, head of the International Christian Solidarity delegation, said she intended to draw the attention of the British parliament and human-rights agencies to the position of the population in Karabakh. Baroness Cox told newsmen on Wednesday [22 January] upon her return to Moscow that she had witnessed growing violence and ruthless banishment of Armenians from their native villages. She expressed concern about the seizure of the Soviet Army's weapons by Azerbaijan and said that the armed conflict could evolve into a Transcaucasian war. The governments wishing to prevent it should interfere at once, she said. She also said that from now on the British government should link economic aid to the former Soviet republics to the observance of human rights.

Statement Issued on Recent Attacks on Servicemen

NC2301171492 Baku Radio Baku Network in Azeri 2000 GMT 21 Jan 92

["Joint statement" issued by the Azerbaijani Ministries of Internal Affairs and National Security in Baku; date not given]

[Text] Attacks have recently been carried out against servicemen and military installations during which people have been killed and arms and military equipment has been stolen. For example, three armed men attacked a military installation in the [name indistinct] district on 18 January. One of the attackers and a serviceman were killed. Five servicemen were wounded. Similar incidents have occurred in [name indistinct], Lenkoran, Shamkhor, [name indistinct], and several other rayons. Two attackers were killed and several servicemen were wounded in other attacks as well.

These attacks strain relations between the people and the Army. We know that certain forces resort to this type of provocative and lawless activities to further deteriorate

the social and political situation and heighten tension in Azerbaijan. The Azerbaijani Ministries of Internal Affairs and National Security hereby announce that they will take the most resolute measures to prevent these attacks and (?expose) and penalize those involved.

Latin Script Adopted; Two Year Implementation

PM2301134792 Moscow PRAVDA in Russian 18 Jan 92 p 2

[Report by correspondent Zaur Kadymbekov under the rubric "Fact and Commentary": "Latin Script's Return"]

[Text] Baku—The Azerbaijan parliament's National Council adopted a law on reverting to the Latin script in the Azerbaijan language's alphabet. Let me remind you: Azerbaijan was the first of the Eastern countries to use the Latin alphabet instead of Arabic script. At the end of the thirties, they were forced to switch to the Cyrillic alphabet by order of the "father of the peoples" [Stalin], and by so doing made their literary and cultural heritage inaccessible to subsequent generations. However, redressing the balance after the tyranny which the Stalinist regime perpetrated is not the only reason for the present decision. An important role was played by the conclusion of a special commission and of a number of linguists, historians, and literary specialists after two years of very thorough work, which again confirmed the opinion of linguists in the past: The Azerbaijan languauge's phonetic peculiarities are best "superimposed" on the Latin script.

The process which lies ahead will not of course be a simple one. After all, even changing a street or a city's name causes quite a few difficulties, but here we are talking about an entire alphabet. Due to the task's scale, it will have to be solved by stages over two years.

Georgia

Developments in Gamsakhurdia Situation Reported

'Stable' Situation in Kutaisi

AU2301110792 Tbilisi Radio Tbilisi Network in Georgian 0500 GMT 23 Jan

[Text] As the commandant of Kutaisi has informed our correspondent, the situation in the city was stable during the day and night yesterday. The commandant's office registered several automobile hijackings and accidents. There were no [word indistinct], robberies, and attacks. During the night, sporadic firing was heard in separate regions.

This morning, the supply of drinking water to the population was resumed. The situation regarding the supply of bread products is stable. The emergency and health services are functioning normally. As the city's education department informed our correspondent, secondary schools will reopen on Monday, 27 January.

Senaki Talks Unsuccessful

LD2301130292 Moscow TASS International Service in Russian 1120 GMT 23 Jan 92

[Report by TASS correspondents Igor Gvritishvili and Albert Kochetkov]

[Text] Tbilisi, 23 Jan (TASS)—The latest round of talks between representatives of the Georgian Military Council and supporters of former President Zviad Gamsakhurdia ended unsuccessfully in the town of Senaki. Today, Jaba Ioseliani, a leader of the Military Council, informed the TASS correspondents over the phone that the opposing side refuses to meet the ultimatum and to lay down its arms.

At the same time, despite the fact that the date set by the ultimatum expired at midnight yesterday, the government troops have not launched active combat actions. According to Jaba Ioseliani, the Military Council still hopes that reason will prevail and that Gamsakhurdia's supporters will surrender and prevent bloodshed.

Heavy snow, which in places has reached accumulations of 70cm and more, unexpectedly influenced the military situation in western Georgia. Dzhaba Ioseliani said that this is impeding the movement of troops significantly. However, the plans of the Military Council are being implemented: today, its troops' advance on the town of Khobi, which is situated on the approaches to Zugdidi, will start.

Touching on the situation in the seaside town of Poti, he added that insignificant exchanges of fire are taking place there, and two fighters from government detachments have been wounded.

Roundup of Events

LD2301231792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2100 GMT 23 Jan 92

[From the "Novosti" newscast]

[Text] The focus of tension in Georgia has moved towards Poti, where Gamsakhurdia's supporters blew up a bridge, mined a sea port, and are preparing to storm the city. Fighting is taking place in Abasha. In Zugdidi, approximately 800 people loyal to Gamsakhurdia intend to fight government troops. The government has postponed the beginning of military action, hoping for voluntary surrender of the ex-president's supporters. By videotape, Gamsakhurdia himself still calls upon the republic's inhabitants for a universal strike and civil disobedience. Meanwhile, it has been decided in Tbilisi not to resume activities of the former parliament and to set the date for new elections.

Battles Continue in Poti

LD2301233892 Moscow Russian Television Network in Russian 2000 GMT 23 Jan 92

[From the "Vesti" newscast]

[Text] Today the battles in Poti continued. The main bridge in the town has been blown. The defendants of the town and the president are ready to stand to the death. Two of them are wounded. Tengiz Kitovani has declared: I hope that everything will be over by 25 January.

During the night of 22-23 January the latest round of negotiations between Jaba Ioseliani, representative of the Military Council, and Valter Shurgaiya, leader of the Committee for National Disobedience and deputy of the Supreme Soviet, were held in Senaki. But even so, it was impossible to achieve accord, since the majority of supporters of the former president still insist on carrying on the fight.

The situation in Abkhazia is also extremely complex. During the night a certain tension remained in the town of Sukhumi. Rallies of the supporters of the president continue. The Sukhumi airport is closed. Only one flight is operating the Sukhumi-Moscow route. The runway is blocked by trucks. Entry to the airport is controlled by an armed battalion from Gulripshskiy Rayon, devoted to Zviad Gamsakhurdia.

Adzhar television is not working. An initiative group of the deputies of the Adzhar Supreme Soviet has been set up, which insists on the holding of an extraordinary session of the Supreme Soviet of the autonomous republic. An assessment of the events taking place in Georgia at the session and the resolution of important economic and political of this region is proposed. Curious as it may seem, this appeal, practically calling upon deputies to fulfil their obligations as members of parliament, has only been signed by 13 deputies, the majority of them from the Adzharia bloc.

The precise location of Gamsakhurdia is not known, as before, but, according to reports from Groznyy, the question of refuge for the overthrown president has caused a split in the leadership of the Chechen Republic.

'State of Siege'

LD2401114492 Moscow TASS in English 1047 GMT 24 Jan 92

[By TASS correspondents Igor Gvritishviliy and Albert Kochetkov]

[Text] Tbilisi January 24 TASS—Forces loyal to Georgia's provisional government entered the city of Poti in the west of the republic, defended by supporters of ousted President Zviad Gamsakhurdia, Defence Minister Lieutenant General Levan Sharashenidze told TASS.

Gamsakhurdia supporters, however, believe that because there are large amounts of grain stockpiled in the city, they can dictate their terms to the other side, according to a Poti city official.

They insist that government forces should leave the city before negotiations can resume. Local authorities have imposed a state of siege in the area. The city administration spokesman said that elevators in the city port and other key facilities will be blown up if troops attempt to storm the city.

The city council will meet in Poti later today to discuss their position at negotiations with representatives of the Military Council scheduled for 17:00.

TASS has been unable to contact other cities in western Georgia, controlled by Gamsakhurdia's supporters because "telephone stations are not working due to a shortage of electricity", according to a telephone operator.

Ready To Disarm

LD2401115592 Moscow Russian Television Network in Russian 1100 GMT 24 Jan 92

[From the "Vesti" newscast]

[Text] Tengiz Baranidze, prefect of the town of Poti, has said that the local leadership is ready to fulfill the demand of the Georgian Military Council to disarm. The leadership of Poti is also ready to hand over power to a plenipotentiary of the Military Council.

Zugdidi Also Agrees To Disarm

OW2301194392 Moscow INTERFAX in English 1858 GMT 23 Jan 92

[Transmitted via KYODO]

[Text] Georgian authorities and Gamsakhurdia's followers agreed that the forces of the ousted Georgian president would down arms in Zugdidi before 24:00 Thursday [23 January]. The agreement had been reached between the Military Council and the Zugdidi civil disobedience campaign headquarters chief Walther Zhurgai in the town of Seneki on Wednesday [22 January], said a source in the Georgian Military Council press-center in Tbilisi in an interview with IF [INTERFAX].

If Gamsakhurdia's followers in Zugdidi, western Georgia, do not down arms before midnight, the government troops, the national guard and the Mkhedrioni grouping, will attack.

Tenghiz Baramidze, prefect of the city of Poti, western Georgia, told IF that the local government that backs Gamsakhurdia is willing to comply with the disarmament demand issued by the Military Council, and had stated the willingness at the Thursday negotiations with the council. The Poti authorities are ready to cede power to an official of the Military Council.

However, one grouping of Gamsakhurdia's followers are not going to make any concessions. Baramidze also reports that the local population are opposed government troops entering the city: Tenghiz Kitovani's national guard and the Mkhedrioni grouping led by a Military Council member Jaba Ioseliani. The city was calm in the afternoon of January 23.

The Georgian Interior Ministry reports that the prefecture of the town of Khobi resigned to avoid bloodshed following negotiations with the Military Council, for an official of the Military Council to take over.

Vakhtang Razmadze, Georgia's procurator general, told the press on Thursday that the procurator's office is going to sue former trade minister Zurab Kopoliani and Gamsakhurdia's personal guards chief Gocha Bakhia who are in charge of the troops remaining loyal to Gamsakhrudia. Razmadze did not disclose the nature of the charges.

Key Bridges Blown Up

AU2401120792 Paris AFP in English 1127 GMT 24 Jan 92

[Report by Christopher Boian]

[Text] Khobi, Georgia, Jan 24 (AFP)—Forces opposed to Georgia's ruling military council blew up three key bridges on Friday [24 January] near here linking Tbilisi with western Georgia and burned down the television headquarters in Zugdidi as resistance to the regime that ousted Zviad Gamsakhurdia intensified.

Meanwhile resistance leaders abandoned their headquarters in Zugdidi, located about 30 kilometers (18 miles) north of here, and sympathizers there said they had taken their opposition movement "underground".

The bridge along the main road between Khobi and Zugdidi, spanning the Muchia River, was totally destroyed, apparently with dynamite, before dawn Friday and residents said two more bridges over the river several kilometers further west had also been blown up.

Destruction of the Khobi bridge, three kms (one mile) north of the town, cut the main road to Zugdidi and Tblisi.

Some residents said the bridges had been destroyed by the military council's forces, commanded by Jaba Ioseliani and headquartered in the western city of Senaki.

"They want to cut Zugdidi off from supplies coming in from Poti and Batumi," said one man, referring to the two key Black Sea ports in southwestern Georgia.

But this version was refuted by several witnesses who said they saw Gamsakhurdia forces planting the explosives on the bridge, and it seemed clear that Ioseliani's troops had no reason to cut off the main link between them and Zugdidi, the last main stronghold of resistance to the Tbilisi regime.

During the night, the television headquarters in Zugdidi, located on a hill on the outskirts of town, was burned down, cutting off all local television programming as well as broadcasts from Tbilisi.

It was unclear who had destroyed the television center and residents of Zugdidi gave contradictory accounts of why the center was destroyed.

The military council however demanded on Wednesday that Tbilisi television broadcasts be aired on local Zugdidi television and the destruction of the television center here appeared to be an effort by Gamsakhurdia loyalists to keep Tbilisi television out of the region.

Meanwhile railway transport in much of western Georgia remained at a standstill despite demands from Tbilisi that it be restored and there was no sign that Gamsakhurdia's supporters in western Georgia were preparing to comply with Tbilisi's requests, which effectively amount to a demand for surrender.

On Thursday [23 January], Ioseliani said that the loyalist forces in Khobi, Zugdidi and other cities in the region would be given until Friday night—he did not specify a time—to comply with Tbilisi's demands.

"If not, there will be war" in western Georgia, Ioseliani said.

There was still no word on the whereabouts of Gamsakhurdia himself, who was reported to have returned to western Georgia more than a week ago but who has so far not appeared in public.

In Zugdidi, there were plans for further protests outside both the local government headquarters and the former Communist Party headquarters, now used as a base for the Monarchist Party.

Gamsakhurdia Prepares To Depart

LD2401093492 Moscow TASS International Service in Russian 0924 GMT 24 Jan 92

[Report by TASS correspondent Aleksandr Karsulin]

[Text] Moscow, 24 Jan (TASS)—Zviad Gamsakhurdia is preparing to leave Georgian territory, Lieutenant General Sharashenidze, acting republican minister of defense, told a TASS correspondent by phone.

According to his information, a plane has come to Sukhumi from Groznyy for Gamsakhurdia. The new Georgian authorities do not intend to prevent his departure.

Further on Situation in South Ossetia

Fighting Ceases Temporarily

LD2201170692 Moscow TASS in English 0936 GMT 22 Jan 92

[By TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz January 22 TASS—Fighting ceased in South Ossetia, according to reports reaching Vladikavkaz. No shelling of Tskhinvali and other Ossetian settlements was registered last night. Gas and water supplies resumed to the administrative centre of South Ossetia on Wednesday [22 January].

But Tskhinvali still remains blockaded. Food and medicines reach the city by cross-country vehicles through a 28-kilometre long mountaneous road.

The results of a recent referendum, at which the majority of Ossetians voted for unification with Russia, poses new problems for South Ossetia, which makes part of Georgia. The new Georgian Government qualified the referendum as an infringement on the territorial integrity of the country. No official response has yet been received from Russia. North Ossetia split in assessing the referendum results, while the neighbouring Chechen Republic has not yet voiced its opinion. Some South Ossetian leaders predict the referendum may become "a detonator" which will explode the situation in the Republic.

But many South Ossetian officials express hope developments will improve. "The leadership and the people of South Ossetia are well aware new hardships are in store, but there is no other way out", Rezo Khugayev, deputy speaker of the South Ossetian Parliament, told TASS on Wednesday. "We are ready for negotiations and hope the Russian Parliament and Government will support our drive for independence", he said.

Leader Appeals to Russia

PM2401103292 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jan 92 First Edition p 1

[Report from ROSSIYSKAYA GAZETA-TASS column: "'Russia Must Not Abandon Us...'"]

[Text] In South Ossetia, whose population in a recent referendum came out in favor of independence and reunification with Russia, the main question today is how the Russian Federation Supreme Soviet will respond to the people's request.

Znaur Gassiyev, head of government of South Ossetia, said in a talk with journalists: "Russia must not abandon us in our hour of need. Otherwise the people of South Ossetia will be exterminated or driven out of the lands of our forebears." "We believe our Russian brothers will extend a hand to us, as happened in the distant year 1774, when our people, in accordance with the treaty then signed, became part of Russia," he added.

Negotiations To Begin 25 Jan

LD2301202192 Moscow TASS International Service in Russian 1732 GMT 23 Jan 92

[By TASS correspondents Igor Gvritishvili and Albert Kochetkov]

[Text] Tbilisi, 23 Jan (TASS)—The possibility of the Georgian parliament resuming work and timescales for the election of the republic's new Supreme Soviet were the central issues at today's first session of the Political Consultative Council under the prime minister of the provisional government. The majority of council members considered the option of resuming activity of the former parliament impossible and decided to call new elections at a date that is being arranged. Ways of peacefully resolving the conflict in Shida Kartli (South Ossetia) were examined at the session. It has become known that a delegation of authorized representatives of the provisional government is to depart on 25 January for negotiations with the Ossetian leaders.

Relative Calm 'Broken'

LD2401101192 Moscow TASS International Service in Russian 0835 GMT 24 Jan 92

[By TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 24 Jan (TASS)—It is with great difficulty that peace and accord are coming to the land of South Ossetia. The relative calm of last night was broken by the Georgian side. From the outskirts of villages in Goriyskiy rayon combatants fired on the distant approaches to Tskhinvali, internal troop check points, and a helicoper regiment base with heavy machinegun fire. Unfortunately, there were fatalities as a result of this armed action. Detachments of the Ossetia guard carried out retaliatory fire to knock out the fire points of their attackers.

According to reports by the information committee press center, Tskhinvali was shelled by combatants who had returned to the surrounding villages from Tbilisi. Reliable sources say that there are now up to 10,000 men in these villages, armed with heavy caliber machineguns, grenade launchers, artillery, and missiles. It is believed that their actions are not being directed from the Georgian capital, but they are regularly destabilizing the situation in South Ossetia.

In connection with the shelling of internal troop checkpoints, which have become more frequent in South Ossetia recently, and attacks on military facilities with the purpose of capturing weapons and equipment, officers of the internal troops have sent a note to the presidents of Russia and Kazakhstan and the command of the internal troops, asking them to assist in the peaceful settlement of the armed confrontation in South Ossetia, and to remove subunits of the internal troops from this region.

The snow which has fallen in the Caucasian mountains has seriously hampered the delivery of food and medical supplies to Tskhinvali.

Sigua Foresees Official Recognition by Russia

LD2101095492 Moscow Radio Rossii Network in Russian 0800 GMT 21 Jan 92

[Excerpt] Georgia's Prime Minister Tengiz Sigua said at a news conference yesterday that he received a telephone call on 20 January from Ruslan Khasbulatov, chairman of Russia's Supreme Soviet, offering congratulations on the victory of the democratic forces in Georgia. In Sigua's view, official documents will shortly be adopted by which Russia will recognize the new Georgian government. [passage omitted]

Reportage on Provisional Government's Decisions

Economic Reform Begins 1 Feb

OW2001161492 Moscow INTERFAX in English 1245 GMT 20 Jan 92

[Transmitted via KYODO]

[Text] The provisional government of Georgia is to begin economic reforms aimed at denationalizing and privatizing state property as of February 1, Tengiz Sigua the republic's acting prime-minister said in Tbilisi. The first to be privatized will be trade, services and light industry sectors.

Meanwhile, a number of Georgian economists have opposed what they called the hasty denationalization and privatization efforts. For instance, MP [member of parliament] Roman Gotsiridze warned in an interviev with IF [INTERFAX] against accelerating these processes. A full-scale privatization requires a stabilization in Georgia, he said. He added that it was no good promising the people what was yet impossible to achieve since "the former republican leadership fell primarily because it could not deliver".

Political Parties' Ban Lifted

LD2101094492 Moscow Radio Moscow World Service in English 0800 GMT 21 Jan 92

[Excerpt] The Georgian interim government has set up a consultative committee representing all the parliamentary factions and many political parties. The aim of the committee is to coordinate actions during a transitional period following the deposition of Georgia's former President Zviad Gamsakhurdia.

The government has adopted a decision to liberalize the media and lift a ban on political parties. Privatization of state-owned property has begun and an agrarian reform will be launched. [passage omitted]

Land Reform Ordered

OW2101165492 Moscow INTERFAX in English 1315 GMT 21 Jan 92

[Transmitted via KYODO]

[Text] The Cabinet of Ministers in Georgia has ordered that a land reform be carried out in the republic between January 25 and March 15.

The reform envisages, among other things, that land will be transferred free of charge to the farmers for eternal ownership. All taxes will be scrapped, except a land tax that will be 4 times higher than the current one.

A special coordinating committee will be set up to facilitate the reform's implementation.

To Join CIS Defense System

LD2201235892 Moscow Radio Rossii Network in Russian 2100 GMT 22 Jan 92

[Text] The new authorities in Georgia have decided to join the defense system of the Commonwealth of Independent States. Meanwhile, Tengiz Kitovani, member of the Military Council, said that no one was going to prevent Gamsakhurdia from leaving the republic. However, no state has expressed a wish to accept him.

Acting Defense Minister Wants Troops To Stay

LD2301175492 Moscow TASS in English 1615 GMT 23 Jan 92

[By SAKINFORM correspondent]

[Text] Tbilisi January 23 TASS—Georgia believes former Soviet armed forces, deployed on its territory, should stay for the time being. "The withdrawal of the troops of the Transcaucasian Military District from the territory of Georgia is premature", acting Georgian Defence Minister Levan Sharashenidze told SAKINFORM on Thursday [23 January].

"The status of the troops is changing and we have to rebuild good relations with them. Time for their withdrawal will come but the pullout should be prepared in social and all other fields," he said, adding he is a military man himself and knows well what serious problems the hasty withdrawal from Eastern Europe arose.

Troops should be under the jurisdiction of a certain state, but this cannot be achieved by force, Sharashenidze said.

Authorities Arrest Former Government Officials

OW2001160692 Moscow INTERFAX in English 1245 GMT 20 Jan 92

[Transmitted via KYODO]

[Text] The former chairman of the Georgian parliament's economic and financial commission, Tariel Gelantia, and the former economics and finance minister, Guram Absandze, were arrested in Tbilisi on January 19.

They were charged with embezzling state property on a large-scale basis and abusing their respective positions.

Statement Issued on Contacts With Foreigners

AU2201171392 Tbilisi Radio Tbilisi Network in Russian 1530 GMT 22 Jan 92

[Statement issued by the Republic of Georgia Ministry of Foreign Affairs in Tbilisi; date not given]

[Text] Recently cases of contacts by parties and public organizations in Georgia as well as private persons with official representatives of foreign countries have become more frequent. We learn about this from central mass media. In connection with the above, the Ministry of Foreign Affairs of the Republic of Georgia is authorized to state the following:

At a time when the official authorities in Georgia and its official executive organs, via the Georgian Ministry of Foreign Affairs, undertake actions dictated by Georgia's vital interests to achieve full-fledged integration into the system of international relations, representatives of parties and public organizations that are active in Georgia or private persons have the right to maintain personal contacts on a private basis only, and, in the course of these contacts, may express the interests of their parties or public organizations or their personal interests and not those of the state as a whole.

Otherwise, such contacts may cause certain damage to Georgia's international relations and its vital interests and may contribute to the strengthening, within official circles abroad, of the opinion that took shape during the totalitarian rule in Georgia to the effect that Georgia's international policy is formed by everyone and no one.

The Ministry of Foreign Affairs of the Republic of Georgia declares with full responsibility that all kinds of official contacts with official representatives of foreign states must be coordinated with the republican Ministry of Foreign Affairs.

Popular Front Issues Statement 17 Jan

LD1701152392 Moscow TASS in English 1239 GMT 17 Jan 92

[By SAKINFORM-TASS correspondent Eduard Ediberidze]

[Text] Tbilisi January 17 TASS—Georgian territory and borders should be protected by republican border guards, the opposition Georgian Popular Front said in a statement today.

It also said the republic should not enter "any state formation set up instead of the former USSR".

The Front called for the protection of human rights and the promotion of peace and private enterprise.

Shevardnadze Denies Presidential Aspirations

LD1801225292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2204 GMT 18 Jan 92

[From the "Novosti" newscast]

[Text] An hour ago Eduard Shevardnadze denied a report by Radio France Internationale that said that he was going to nominate himself for the post of Georgian president. I gave no such interview to that radio station, Shevardnadze said. We will also add that it is not planned to have a presidential post as such in Georgia.

Meanwhile, Tengiz Kitovani and Jaba Ioseliani, during their first news conference at Government House, did not rule out the possibility of Eduard Shevardnadze taking part in new power structures.

Estonia

Savisaar Explains Government Resignation

LD2301235492 Tallinn Estonian Radio in English 2130 GMT 23 Jan 92

["Condensed version" of government resignation speech by Prime Minister Edgar Savisaar on 23 January; read by unidentified correspondent]

[Text] Estonian deputies and the speaker of our parliament, I have to announce that at the meeting late last night the government decided to resign. This does not mean that we are not willing to shoulder the responsibilities and are abandoning Estonia amid such hard times. But we see resignation as the possible solution to the contemporary political stalemate. The last weeks especially proved that the opposition did not have enough votes to carry a vote of confidence successfully, so statements by opposition leaders that the majority of parliament is on their side are totally unfounded. On the other hand, this government and the deputies who support the government don't have a sufficient majority to implement their political will or to carry out those political decisions that we consider the only possible ones. If the government can't execute its political will, then it can't be responsible and has to resign.

I'm not sure if this step helps us out of the impasse. I think not only are relations between the government and the parliament in a critical state but that a crisis exists in the first place within the Supreme Council itself. Furthermore, this is a reflection of the crisis which has seized Estonian society as a whole.

The government leaves with a pure conscience, in the sense that we have done everything that we could to strengthen the cooperation between the government and parliament and to reach at least temporary agreement between the different political forces in the Supreme Council. Unfortunately, the last few weeks have indicated that an agreement on the scale that we would have liked to have reached hasn't come into being and that certain parts of the Supreme Council still refuse any responsibility in stabilizing the Estonian society. [passage indistinct]

Certainly our government has made mistakes because we were more or less the same kind of beginners, like you here in the parliament. Have there been more mistakes than in Latvia or Lithuania, who are pretty much in the same situation as we are? It depends from which standpoint our activities are evaluated and who does the evaluating.

We came as a transition government but this time you gave us mandates to reestablish our independence and we promised the Supreme Council and Estonian people that we wouldn't stop half way. We fulfilled those promises given to the Supreme Council on 20 May 1990. We have managed to implement the governmental program in principle. We have managed to keep society stable. We have managed to avoid strife between the two communities as well as serious social conflicts. We overcame all the difficulties, especially during the coup last August.

Out of the plan for reforms, economic, governmental, judicial and land reforms, the economic and government reforms have been comparatively more successful. We have started with the judicial reform but the land reform, or its preparation to be more exact, has not progressed at all. I would like to remind the parliament of a passage from the after word of the governmental program. For the first time since World War II the government is guided by the will of the people. Its implementation is not easy. Moreover, the government submits that the history of the Estonian people has never before set a task of that magnitude. Our strength is in our unity. So the motto of the present resignation of the government is peace at home. [passage indistinct]

Suggests Successor

OW2301153892 Moscow BALTFAX in English 1349 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] The Estonian Prime Minister Edgar Savisaar has announced his government's intention to resign. He was speaking in parliament earlier today. Savisaar said that the government had had no chance of conducting its policy. He said that neither the opposition nor the government had a majority in parliament to execute its decisions.

Savisaar said that whereas in the past there still had been hope for cooperation with parliament, now there was none.

E. Savisaar said that the group of his People's Centrist Party (having 11 seats) was ready to cooperate with a future government and would offer no resistance. He is certain that a future government must continue acting on the basis of the parliament's state of emergency resolution.

Savisaar suggested Arnold Ruutel as his successor, saying that in his view the candidate was not linked with any of the political groups. Ruutel is the leader of the Estonian Parliament.

The Savisaar government has been in office since May 1990. The Prime Minister said there had been enough time for Estonia to avoid serious social and interethnic conflicts and to start reforms in the economy, government apparatus and system of justice.

The Savisaar Cabinet will stay in office for another two weeks until a new Cabinet is formed.

Council Votes To Nationalize Army Property

OW2301194092 Moscow BALTFAX in English 1855 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] On Thursday [23 January] the Estonian Supreme Council by an overwhelming majority of votes (64—"in favor", 0—"against", 5 abstentions) ruled to nationalize the property of the USSR Armed Forces in Estonian territory, including facilities, armaments and military equipment.

A resolution on the issue says the decision was made "given the necessity of the speedy withdrawal of Soviet troops from Estonia and protection of Estonia's economic interests."

All deals related to the army property and made with participation of the military are declared invalid. State Minister Raivo Vare who presented the draft resolution to the parliament said that this provision is aimed at ending the unauthorized sales of the army property being made by the units' commanders.

Latvia

Republic Wants To Join Europe Security System

OW2301194592 Moscow BALTFAX in English 1855 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] State Minister Janis Dinevics has confirmed during his meeting in Riga with a delegation of the West European Union led by Secretary General Wilhelm von Eckelen that Latvia is willing to enter the European security system.

He told the delegation Latvia demands that Russia pay in hard currency for facilities and land occupied by the former Soviet Army, but Russian representatives refused to discuss the issue.

Dinevics suggested that Soviet officers and soldiers leaving the Latvian territory be paid compensation in hard currency. He predicted that in that case about 40,000 officers, as well as 50,000 reserve military servicemen would be certain to abandon Latvia.

Independence Movement Pickets Government

OW2101200292 Moscow BALTFAX in English 1847 GMT 21 Jan 92

[Transmitted by KYODO]

[Text] On January 20, the Movement for Latvia's Independence picketed the building of the Latvian government.

The picketers protested against the presence of the former Union's armed forces in Latvia and against the government's "ambiguous position on the issue".

Earlier, this movement's leaders had handed to the Latvian government an appeal demanding that the former Union's troops be withdrawn from Latvia before July 1992.

The Movement for Latvia's Independence believes that the presence of a foreign army in Latvia destabilizes the situation.

It also insists that the talks with Russia produce an agreement ensuring that the military equipment remain in Latvia as a "compensation for the plunder of the Latvian army in 1940".

As the former Union's armed forces do not pay the land tax, the Movement demands that the Latvian government terminate supplies of food and electric energy to the units located in Latvia.

Movement Leader on Army Withdrawal

LD2001232592 Riga Radio Riga Network in Latvian 1400 17 Jan 92

[Interview with Mirdza Vitola, deputy chairman of the National Independence Movement, by correspondent Baiba Saberte; place and date not given—live or recorded]

[Excerpts] [Saberte] The board of Latvia's National Independence Movement met today. I congratulate the National Independence Movement and its deputy chairman Mirdza Vitola. [passage omitted on cancellation of army maneuvers]

Mrs. Vitola, does such a result satisfy you?

[Vitola] This is only a result for the moment. The Army is getting ready to stay here for a long time. This does not satisfy us. In this connection, there is one thing I want to say. There was a colossal article in the RIGAS BALSS that the Independence Movement, you see, had picked up courage to pull a harmless tiger by its tail. I would like to see who was so naive as to imagine that the Army in our country is still some kind of a harmless tiger. Unfortunately, it is an angry and fierce tiger we must get rid of. The struggle against this Army certainly continues. We are very dissatisfied with the evasive position of our Council of Ministers on the Army. We would very much like to hear a firm kind of a plan, what the Council of Ministers (?hopes) to achieve in talks with the Army, and on what kind of conditions. Does the Council of Ministers still envisage the normal operation of the Army in Latvia, or is there talk of only providing maintenance to the Army—that is, to help to provide the Army with food but not to outfit it completely.

Many questions are not clear to us. These questions, I think, are not clear to any inhabitant of the republic, and the Council of Ministers has not made an effort to clarify this. Therefore on Monday, 20 January—you will remember what happened last year on 20 January, what kind of events were taking place in Riga—you see, on this day of remembrance we do not want to hold any kind of

festive gatherings, anything in honor of January of last year. But, in honor of January of last year, we shall picket at the Council of Ministers. This will be at three o'clock during the day, the same as the previous picket. We shall protest the government of Godmanis and the undecisive position it has assumed in relations with the army.

[Saberte] Will anything real be achieved by only protesting? I think that information would be more realistic on when, what, and why anything is being done or is not being done, and when it will be done.

[Vitola] We want to receive such information from the Council of Ministers, and therefore, I think, a corresponding document will be sent to the Council of Ministers in the name of the Independence Movement.

Customs Allowed To Search Military Vehicles

OW2301164792 Moscow BALTFAX in English 1349 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] The Lithuanian parliament [as received] has voted to cancel the Prime Minister Ivars Godmanis resolution prohibiting customs officials from inspecting military vehicles.

Lithuania

Landsbergis on Russian Relations Problems

LD1701143792 Vilnius Radio Vilnius in Lithuanian 2200 GMT 16 Jan 92

[Text] Lithuanian parliament Chairman Vytautas Landsbergis stated in an interview with Lithuanian radio that examination of economic relations with Russia's leaders is one of the most important problems. He recalled that the economic agreement between Russia and Lithuania was initialled last December, but not all obligations in that agreement are being fulfilled. The stoppage of the supply of raw materials that are vitally important to Lithuania's industry and power engineering, in spite of our best efforts, may cause doubts about whether some of Russia's orders can be fulfilled, Vytautas Landsbergis noted.

Speaking of the withdrawal of the former Soviet Army deployed in Lithuania, the parliament chairman noted that Lithuania is aware of the difficulties faced by Russia. He said that he intends to submit tomorrow several proposals on how to ease the solution of this issue without delay.

Interrupted Supplies Not Russian Blockade

OW2001185592 Moscow BALTFAX in English 1345 GMT 20 Jan 92

[Transmitted by KYODO]

[Text] Speaking on Lithuanian TV on January 19, Chairman of the Lithuanian parliament, Vytautas Landsbergis, said that Boris Yeltsin could be trusted.

Mr. Landsbergis also said that the Lithuanian government did not perceive interrupted supplies of Russian oil and other raw materials as a blockade. "All of the related problems will be solved tomorrow," he said.

During Mr. Landsbergis's visit to Moscow on January 17, the two sides agreed on guaranteed energy supplies to Lithuania.

Prime Minister Views Army Discontent in Russia

LD2201022392 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 21 Jan 92

[Excerpt] Prime Minister Gediminas Vagnorius stated that there is no need to proclaim a state of emergency in the economy in Lithuania as Estonia has done, although he did not conceal the fact that the situation is very tense in certain enterprises.

While speaking at today's parliament session, Gediminas Vagnorius mentioned the increasing discontent of the Army in Russia and the activity of that country's mid-level officers among the external factors aggravating the situation within Lithuania's economy.

According to the prime minister, it often contradicts Russia's as much as Lithuania's interests and that is especially noticeable in interruptions in raw material and production supplies from Russia.

On the other hand, Gediminas Vagnorius emphasized that the situation in the country is also being aggravated by the broken-down discipline of the Lithuanian Republic as an organization. [passage omitted]

Threatens To Cut Power to Army

PM2201131192 Moscow PRAVDA in Russian 21 Jan 92 p 2

[Yuriy Stroganov report under the rubric "Nothing But the Facts": "Ultimatum?"]

[Text] Vilnius—A report has been circulated in Lithuania about a telegram from republic Prime Minister G. Vagnorius to General V. Mironov, commander of the Northwest Group of Forces. The telegram reads:

"Because Russian economic departments are not ensuring the fulfillment of the interstate agreements signed 23 December 1991 in Moscow on the delivery of petroleum products, gas, metal, and other output, an extremely difficult situation has developed in the republic's power industry, industry, and agriculture. In this connection we inform you, as commander of Russian military subunits deployed on Lithuanian territory, that, given Russia's nonfulfillment of the aforementioned agreements, the supply of power to civil and military

facilities, as well as deliveries of output produced with imported raw materials, will be reduced."

Holds News Conference on Economy

PM2101154792 Vilnius EKHO LITVY in Russian 11 Jan 92 p 2

[A. Gasyunene report under the "News Conference" rubric: "'I Cannot Give Guarantees,' Prime Minister G. Vagnorius Said About Securing Petroleum Products and Other Raw Materials for the Lithuanian Economy"]

[Excerpt] Gediminas Vagnorius held a news conference 9 January. The first meeting with journalists this year was devoted to topical issues—price liberalization and economic relations with neighboring states.

Characterizing the republic's economic situation and correlating price policy with the privatization process, G. Vagnorius particularly stressed the importance of the latter and its influence on the entire economy and social sphere. The destatization program was prepared a year ago and subsequently refined. In order to reduce the market's negative pressure on the Lithuanian people's living conditions, over the year the Lithuanian Government adopted 600 resolutions regulating the progress of economic reform. Each step in prices policy corresponds almost to the day with the stages of privatization. On the whole, the destatization process is progressing quite actively, the prime minister believes.

In response to a question about relations with the executive at local level, G. Vagnorius said that the government's position is firm: It opposes dictatorship but demands unconditional compliance with the laws. Here the situation today is complex. Instances have come to light where local administration leaders are burning documents in order to prevent it from being established how many motor vehicles and tractors, say, were sold and to whom. In recent days, the government has demanded that several dozen local administration leaders and department heads be released from their posts for violating laws and abusing their official position and their elected office. According to the law, questions of the future work of people who have compromised themselves must be examined by local administrations. Will they do this? The prime minister insistently demanded that the Supreme Council introduce an amendment to the law granting the right to promptly dismiss discredited officials from their posts.

The question of guarantees regarding supplies of petroleum products and other raw materials to Lithuania from other former Union republics resounded sharply at the news conference.

I cannot give any guarantees, the prime minister replied, although the government is actively seeking delivery sources.

Lithuania signed an interstate treaty with Russia under which deliveries of basic types of materials should not fall below 70 percent of last year's level. Nevertheless, deliveries so far have fallen. Unless the situation is rectified, Lithuania will be forced to cut off power supplies to Kaliningrad Oblast and Belarus. This will happen for the simple reason that there will be nothing with which to produce it. If Lithuania's power industry facilities, fuel apparatus plant, cardboard combine, and other enterprises that have monopolies in their sectors and supply output to Russia and other states grind to a halt, then losses for the latter too will run to billions of rubles.

The prime minister stressed: We will do everything in Lithuania's power and fulfill all our commitments, and we hope to be able to achieve the same result in our contacts with the Russian Government. [passage omitted]

Views Political, Economic Problems

LD2301110692 Vilnius Radio Vilnius Network in Lithuanian 0700 GMT 23 Jan 92

[By Algirdas Usas]

[Text] Prime Minister Gediminas Vagnorius informed the deputies at yesterday's plenary session of the Supreme Council about the situation in Lithuania's economy. After stressing that there is no need to proclaim a state of emergency in Lithuania, the prime minister stressed that the economic situation in Lithuania is rather complex. The situation is also aggravated by specific circumstances, among which the prime minister mentioned the movement of the servicemen which has emerged in Russia and the somewhat wrecked state structures of this neighboring state. The opposition is engaged only in politics and not in concrete creative activity, he said. Their decisions contradict both the interests of Russia itself and Lithuania. Finally, strong conservative forces are making efforts to coordinate their actions in such a way that Lithuania and other Baltic states will have as many problems in their economy as possible.

The introduction of free prices in the East was named by Gediminas Vagnorius as the third unfavorable factor for us. According to him, these are not market prices but famine prices. Such a situation in Russia, Belarus, and the Ukraine is having a heavy impact on our market as well. The prime minister stressed that only thanks to extraordinary efforts has the export of foodstuffs been prevented.

He pointed out, however, that the present difficult situation was also conditioned by our fleeced state structures. There are many spheres which have lost touch with the general line of Lithuanian politics and where the order of law is not being observed. After illustrating this with an example from the city of Kaunas, the prime minister urged the Supreme Council deputies from Kaunas and other areas to pay more attention to the situation in their own city or rayon.

In his report, the prime minister drew attention to the fact that it is necessary to adopt laws by which the important issues of our lives are regulated. For example, the law on urgent actions has not yet been discussed and adopted which hinders effective action against crime. I am also concerned with such a situation, said the prime minister, when an official whose work was ruinous is assessed not according to his performance but according to which party he belongs to. If this point of view is tolerated then disobedience could take root. The prime minister stressed that during the period of such disorder the adherence to principles is especially necessary. I am not a supporter of emergency powers, but nevertheless elementary levers for the control of the state are needed, Gediminas Vagnorius said. Proposals concerning closer cooperation between the government and the parliament in the present situation were advanced by the esteemed prime minister. He also nominated two candidates for posts in the government: Jonas Klimas for the post of minister of forestry—the latter is a well-known forest specialist who until recently held the post of head of the National Parks Department at the Ministry. To another post, minister of communications and information, once again Aleksandras Abisala was nominated. These nominations will be discussed by the factions and the permanent parliamentary commissions today.

Economics Minister Reports on Reforms

LD2001141792

[Editorial Report] Vilnius Radio Vilnius Network in Lithuanian on 16 January, in a live relay from the Lithuanian Supreme Council session, carries a report by Minister of Economy Albertas Simenas. He starts off by saying that since the prime minister raised the issue of economic reforms, he thinks it is worthwhile touching on some aspects of this reform.

He says that "last year production fell 15 to 20 percent in agriculture, in industry about 5 to 10 percent, and in the construction of residential buildings by 30 percent. This shows a recession in the economy."

He says that "last year's economic growth should be assessed as positive if only because we managed to parry the destructive wave of inflation as prices rose faster than in the East." He says that this helped to balance the budget and to set up social security. The minister says that the situation this year is entirely different and the same methods used last year will not work this year. "To my mind, today's economic situation is aggravated by two main factors: First, the inflation of the ruble; and second, the determination of Russia to restrict the economic links with the Baltic countries, including Lithuania, and even with other states of the Commonwealth."

Speaking about what specific commodities will not be supplied to Lithuania by Russia, he mentions metal pipes, apatites, polyethylene, polystyrene, and other commodities.

He then states: "I think that we should introduce our own currency. The currency may be regarded as the blood of the economy. Until rubles circulate in our economy, our situation will be like that in the whole ruble zone. When blood becomes water, the body is weak. The same applies to the economy." Simenas thinks that while the ruble exists, there cannot be any talk about enlivenment of the economy. "Therefore, one of the principal tasks, in my opinion, is to make adequate preparations for currency reform and to introduce our currency. This is not to have our own money, but to help normalize economic life."

He notes the problem of settling accounts with the East. "When the litas is introduced, the system of settling accounts will be clearing, barter, and some means agreed among the enterprises."

Simenas states that the introduction of Lithuania's own currency could take place this year. "The second problem that must be and is being solved is to prepare for the possible very limited supply of resources from the East. It is essential to set up a fund for financial aid, a temporary ruble financial aid fund, and to balance currency resources by accumulating currencies so that some means of luxury are not purchased. Raw materials essential for production must be purchased. When funds are accumulated, alternative sources of supplies must be sought. It will be necessary to ponder the introduction of different production at some enterprises and even the stoppage of some enterprises."

Simenas ends by describing the necessity of saving every dollar or other currency, increasing efforts in exporting products, and creating conditions for privatization and agrarian reform.

Officials' Letter Urges Russia To Ratify Treaty

LD2001054692 Vilnius Radio Vilnius in English 0000 GMT 15 Jan 92

[Text] Four Lithuanian MPs [members of parliament], Russians by nationality, as well as representatives of a number of Russian public and cultural organizations in Lithuania, have sent a letter to the Russian Supreme Soviet today urging it to ratify the interstate treaty with Lithuania. The letter expresses the conviction that the ratification will help improve relations between the Russians residing in the republic with Lithuanians and with people of other nationalities.

Going by unofficial sources in Moscow, the ratification of the treaty is to be debated in the Russian parliament next week. The Lithuania parliament ratified it last August.

Team Views Border Demarcation With Kaliningrad

LD2001051592 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 15 Jan 92

[Text] Shortly, Vytautas Landsbergis is to meet representatives of the Kaliningrad Lithuanian community at the

Supreme Council. A Lithuanian delegation headed by Valdemaras Katkus, first deputy minister of foreign affairs, held negotiations in this oblast yesterday. Here is a brief comment:

[Katkus] Our meeting consisted of two parts. The first was devoted to discussing organizational matters: how all the work will be carried out. The second part was devoted to discussing the concrete demarcation border line between Kaliningrad [Oblast] and Lithuania.

During the organizational part we arrived at an agreement that three subgroups would be set up: One will prepare the political and legal agreement on the border; the second will define technical aspects for carrying out the specific demarcation of the border line on the territory directly on the locality; and the third will deal with the functioning of the border, which involved the regime of the border, the questions pertaining to customs, and the question of transportation, communication, and power engineering, because there is a considerable number of problems here.

The issue of the bilateral opening of customs posts and crossing points was also discussed. It has been agreed that it will be proposed to the government to approve these in Kybartai, Kudirkos Naumiestis, Krasnoznamensk, Sovietsk, and Nida, two of which—Kybartai and Sovietsk—should become international (?crossing points), not only for the citizens of Lithuania and the residents of Kaliningrad Oblast, but also for the citizens of other states. In addition, an international railway goes through these points.

Concerning the specific demarcation line itself, only opinions were exchanged about how we see this line from the Lithuanian side and how this is viewed from the Kaliningrad side. Then it was agreed that the work would continue on 5-6 February in Vilnius; a large group and subgroups will arrive and a concrete schedule of all the work will be set up to complete preparations.

Cepaitis Reelected Independence Party Head

LD2001182192 Moscow TASS in English 0651 GMT 19 Jan 92

[Text] Vilnius January 19 TASS—Virgilius Cepaitis has been re-elected the chairman of Lithuania's Independence Party, a party spokesman told journalists on Saturday [18 January] after a closed-door extraordinary congress of the party.

The rules of the party, the backbone of which is made up of an influential group of members of parliament and government, deny party membership to people who collaborated with the Soviet State Security Committee (KGB).

That Cepaitis, the founder and chairman of the Independence Party and a deputy to the Lithuanian parliament, had consciously collaborated with the Soviet State Security agencies was confirmed by both the parliament and the deputies' commission to scrutinise KGB agencies' activities in Lithuania.

It is not known what was discussed at the congress, but some delegates walked out of the auditorium as a token of protest during the congress session.

Foreign Minister Meets Polish Counterpart

PM2201154192 Vilnius EKHO LITVY in Russian 15 Jan 92 p 3

[L. Filipavichene report: "'This Is the Start of Great Work'"]

[Text] "This Is the Start of Great Work": That was how Lithuanian and Polish foreign ministers A. Saudargas and K. Skubiszewski spoke of the signing in Vilnius of the Lithuanian-Polish Declaration on Friendly Relations and Good-Neighborly Cooperation.

At a news conference in the Lithuanian Foreign Ministry at the end of K. Skubiszewski's visit to Lithuania, both ministers stressed the importance of this political step at this stage of new interstate relations. Minister K. Skubiszewski came to Lithuania at the invitation of V. Landsbergis and A. Saudargas with the "blessing" of President L. Walesa and Prime Minister J. Olszewski for this good deed. Skubiszewski noted several times during the visit that Poland is very interested in establishing good-neighborly relations with Lithuania. "We are neighbors who must, are willing to, and will cooperate," he said. "We do not have and do not want any other possibility."

But what about the problems of the Polish ethnic minority in Lithuania, in particular the elections to the Vilnius and Salcininkai district councils that a number of public organizations have presented as a "stumbling block" in relations between the two states? This question was voiced in several ways at the news conference. There was also talk of the opinion held by some Lithuanian Supreme Council deputies who have, as you know, protested at the signing of this declaration. On the other hand, a PBC correspondent wanted to find out the ministers' attitude to a statement made by a deputy from the Lithuanian parliament's Polish faction saying that "Poland came to Lithuania on its knees," as well as to the opinion voiced by certain public groups that supposedly "in signing the declaration K. Skubiszewski sold out Lithuanian Poles and Saudargas sold out Polish Lithuanians." The ministers firmly refused to accept that. K. Skubiszewski said in particular that he disagrees with the declaration's enemies because Poland and Lithuania need it as a basis for further good relations between their two countries and also on a European-wide scale.

In the ministers' opinion, the declaration signed in Vilnius contains important elements that make it possible, in particular, to resolve ethnic minorities' current problems and regulate their position. This document is equally

beneficial to Lithuania and Poland and to Poles in Lithuania and Lithuanians in Poland. How can it be a question of genuflection when a broad future of good mutual relations is planned? Poland has not renounced anything, K. Skubiszewski stressed; the sides have discussed ethnic minorities' problems on several occasions. This was also discussed during the current visit. But these problems can be settled without affecting other interests. Protection for the rights of ethnic minorities falls within the international problems regulated by various documents, including the CSCE. Today we have made a good start toward resolving them, the ministers said.

A second important document signed in Vilnius was also mentioned during the news conference—the consular convention. Its provisions encompassed more specific questions pertaining to the lives of and relations between the citizens of Lithuania and Poland.

Polish Minister on Lithuanian Poles

PM2201151392 Vilnius EKHO LITVY in Russian 15 Jan 92 p 1

[ELTA report: "For the Sake of Good-Neighborly Relations"]

[Text] Vytautas Landsbergis, chairman of the Lithuanian Supreme Council, received Polish Foreign Minister Krzysztof Skubiszewski, who is paying an official visit to Lithuania, and his entourage 13 January.

The head of Poland's diplomatic department brought Vytautas Landsbergis cordial greetings from Polish President Lech Walesa and Prime MinisterJan Olszewski, Supreme Council press spokesman Audrius Azubalis told journalists. During the meeting K. Skubiszewski noted that Poland is very interested in the best possible relations with Lithuania. Radicals from both sides should not affect these relations, he said.

The press spokesman said that, when speaking about questions affecting rayon soviet elections, K. Skubiszewski noted that this was Lithuania's domestic affair. At the same time he voiced the opinion that the atmosphere of Lithuanian-Polish relations would improve if the elections were held most speedily.

He also expressed the wish that the material needs of Poles living around Vilnius might be taken into consideration when resolving the problem of "greater Vilnius," because living standards are low there.

The minister also stated that Poland is interested in the speediest withdrawal of the former USSR's troops from Lithuania. He proposed receiving a delegation of Lithuanian experts in Warsaw to study some of Polish experts' experience of this.

K. Skubiszewski also favored permeability of the Lithuanian-Polish state border and the immediate opening of the Sheshkotay railroad and reported that next week the Polish transport minister is to come to Lithuania to resolve the latter issue.

Vytautas Landsbergis drew his guest's attention to the fact that questions pertaining to the Polish minority in Lithuania must be viewed as a developing process. He compared the Polish community's current situation with its previous position a couple of years ago and said that there have been tremendous positive changes here.

The head of the Lithuanian parliament commented: We take a calm view of distortions of and insinuations regarding Lithuanian policy from certain people pretending to be defenders of the Polish minority's interests, as well as Polish press attacks and the activity of the committees for the defense of Lithuania's Poles. We are well aware that this is not the Polish state's policy, Vytautas Landsbergis stressed.

The sides came to the unanimous conclusion that the path of single citizenship must be chosen when resolving the question of citizenship, as is the case throughout Europe.

Recalling the historical aspects of relations between Lithuania and Poland, K. Skubiszewski said that Zeligowski [reference unknown] is history and the Polish state makes no territorial claims on Lithuania.

Jerzy Milewszki, minister in the Polish president's office responsible for defense, said that links between Lithuania and Poland must be based on strategic interests and not on a historical approach or emotion. He said that Poland is ready, if so desired, to help set up a Lithuanian army.

Vilnius Poles Protest 'Colonization'

LD2101194292 Warsaw TVP Television Network in Polish 1830 GMT 21 Jan 92

[Text] The Lithuanian Supreme Council has begun its debate on the date for elections to the disbanded Polish councils in the Vilnius and Salcininkai rayons. Deputies were encountered by a picket of Poles demanding that the elections be called immediately. They are also protesting against the colonization of the Vilnius area.

[Reporter] In a protest sent to the Supreme Council by those picketing, we read, among other things: We cannot tolerate any longer the colonization of the Vilnius area, which has no economic basis. It is clear that the increase of the area of the city of Vilnius at the cost of the Vilnius and Trakai rayons is a political act. The intention to add 31,200 hectares of land to the city's existing area of 30,000 hectares cannot be otherwise explained. Moreover the undeveloped lands of the city of Vilnius are stretch far.

Deputies from the Polish faction Zbigniew Balcewicz and Ryszard Maciejkianiec met those picketing and called for the filing of applications for reprivatization. This is progressing with difficulty; for instance in the Salcininkai Rayon applications were filed for about 45 percent of the land, and the deadline is the end of the

month. Maciejkianiec proposed a spontaneous election of delegates who would represent their own communities to the authorities.

UK's Major: Ready To Return Gold

OW2301194892 Moscow BALTFAX in English 1855 GMT 23 Jan 92

[Transmitted by KYODO]

[Text] British Prime Minister John Major has stated in London after meeting with Chairman of the Lithuanian parliament Vytautas Landsbergis that his country decided to return the Baltics' gold it kept until 1940 and sold to the USSR in 1968. A British bank held 6.58 tons of Latvian gold, 4.48 tons of Estonian gold and 2.96 tons of Lithuanian gold.

Major also said that Lithuania and Great Britain had given up mutual financial claims and demands thus eliminating the main obstacle to bilateral negotiations.

Earlier, London announced its readiness to return the Baltic gold, however, linking this step with paying off the pre-war debt of the Baltics to Great Britain, as well as with paying compensation for the property British citizens left in the Baltics after 1940.

As Estonian Foreign Ministry adviser Yuriy Luik told BF [BALTFAX], John Major has already notified leaders of the Latvian and Estonian governments about the decision either to return the gold or to pay a money equivalent for it. The Lithuanian government has informed London that it intends to keep holding the gold in the British bank.

Security Talks Held With Norwegian Delegation

PM2201114192 Vilnius EKHO LITVY in Russian 9 Jan 92 p 1

[ELTA report: "Lithuania-Norway: Security and Defense Problems"]

[Text] Norway is keen to ensure that the former USSR's Army is withdrawn from the Baltic countries as soon as possible and that a stable political situation is established in these regions. This thought was stressed at the 8 January Vilnius discussions between a delegation from the Norwegian Parliament Defense Commission led by Kare Willoch, commission chairman and former prime minister, and Lithuanian Republic representatives led by Supreme Council Chairman Vytautas Landsbergis. Various aspects of the security and defense problems of Norway and Lithuania were broached in the conversation.

Commenting on the meeting, Bronislovas Kuzmickas, deputy chairman of the Supreme Council, told ELTA Observer Romualdas Chesis that Norway pays great attention to problems of neighboring countries' security. This was stressed not only at the meeting but also at the conference on "International Defense in Northern Europe" held earlier in Oslo. Naturally, Norway wants to adjust its defense and security system in view of the changes in Eastern Europe. If the foreign army were withdrawn from the Baltic states soon, they could perform the role of a kind of buffer—this would be very convenient and advantageous for the Scandinavian countries.

Bronislovas Kuzmickas said that the guests were also interested in our relations with neighboring countries, particularly Belarus, the Ukraine, and Poland, as well as our links with West European organizations which could provide defense aid—NATO, the European Community, and EFTA [European Free Trade Association]. They were also interested in Lithuania's view of the prospects for Kaliningrad.

The legislators and experts were also acquainted with Lithuanian Republic laws.

[Chesis] A couple of days ago Norwegian Defense Minister Holst stated his readiness to provide defense assistance to the Baltic countries. Was this question discussed at the meeting?

[Kuzmickas] This possibility was not analyzed, but it exists. In general we cannot wait until the former USSR's Army is withdrawn. Armed forces must be set up right now and brought up to the appropriate level for them to be effective. Norway fully approves of this view of ours. It understands that the foreign army's presence is also the result of the interests of certain political forces. This presence is becoming dangerous, and not only for Lithuania. [Kuzmickas ends]

The Norwegian delegation, composed of practically the entire parliamentary Defense Commission—15 deputies and nine experts—has left Lithuania for Latvia and Estonia.

New Ambassador Appointed to EC, NATO

OW2001193992 Moscow INTERFAX in English 1539 GMT 20 Jan 92

["Diplomatic Panorama" feature; transmitted via KYODO]

[Text] Mr. Adolfas Venskus has been appointed Lithuania's Ambassador to the EC and NATO. Mr. Venskus was born in 1924 in Klaipeda. At the end of World War II he emigrated to France. He is a chemical engineer and studied at Kaunas and Paris universities.

Mr. Venskus worked with transnational corporations. Since 1961 he has been actively involved in the work of the Christian-Democratic International. In 1989 he was awarded the French Ministry for Labour's honorary medal. Mr. Venskus speaks French, English and German. He is married. His wife is a journalist.

Canada Opens Diplomatic Mission in Vilnius

LD2001185192 Moscow TASS in English 1835 GMT 20 Jan 92

[By correspondent Valentin Vasitexs]

[Text] Ottawa January 20 TASS—Canada has opened its diplomatic mission in Vilnius, Foreign Minister Barbara McDougall announced on Monday [20 January].

From now on Canada will have missions in all the three Baltic countries. "Lithuania, Latvia and Estonia may count on Canada's consistent support now that they have taken their place in the international community", the statement says.

Canadian offices are to render a limited number of consular and visa services and to promote the development of trade and investments. Ottawa promised humanitarian aid to the amount of 1 million dollars and exports credits worth 10 million to each of the Baltic states. Canada is currently rendering technical support to 19 projects in the region.